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**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 4, 2021

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 2020-2021.**

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This is to inform you that the 67<sup>th</sup> Annual General Meeting (AGM) of the members of the Company is scheduled to take place on **Tuesday, September 28, 2021, at 12:00 noon (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 2020-2021 together with the Notice of AGM for your information and records which has been sent electronically today, i.e., on September 4, 2021 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](http://www.cardindia.com).

This is for your information and record.

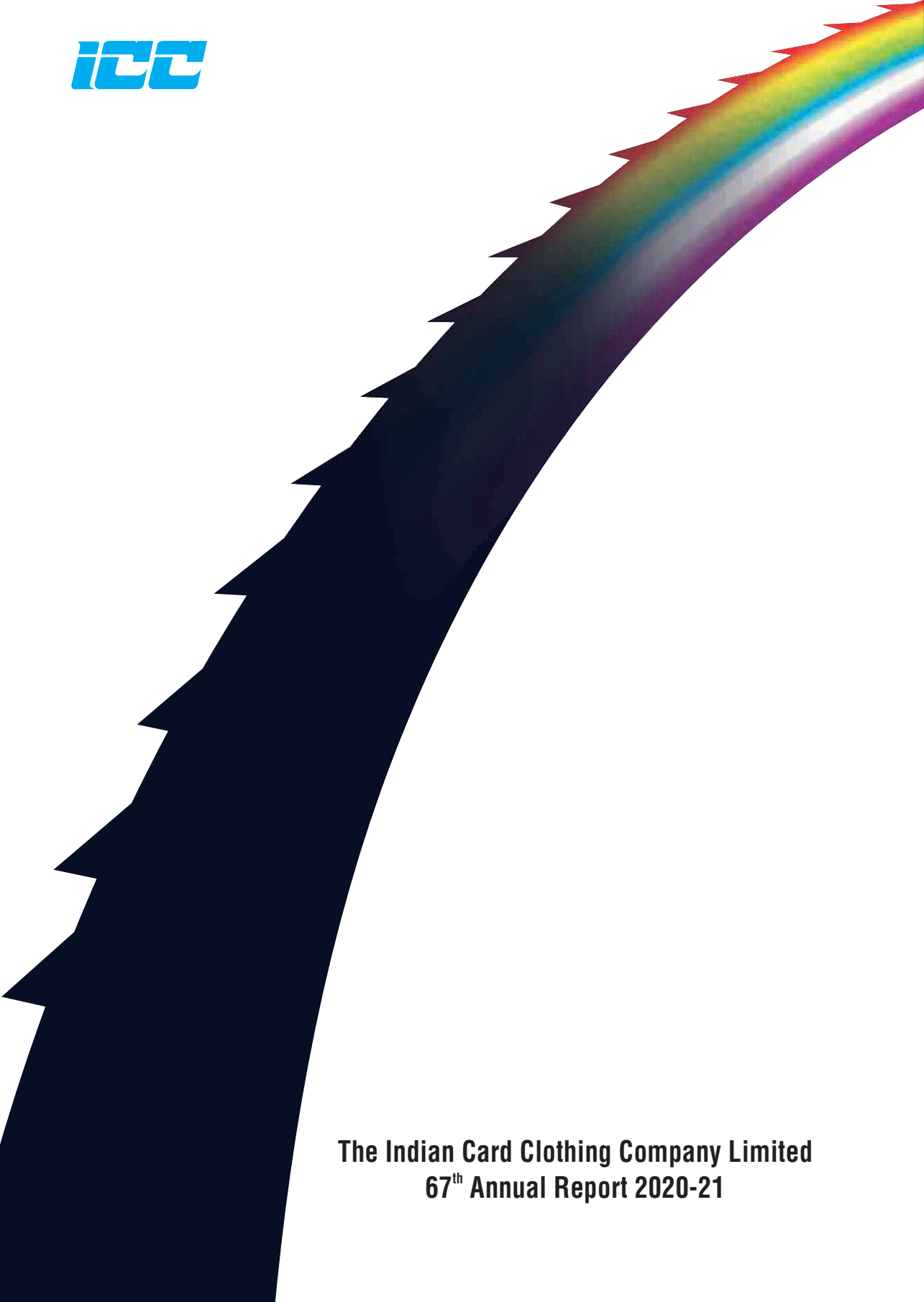
Thanking you.

Yours faithfully,  
For The Indian Card Clothing Company Limited

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



Encl. As above



**The Indian Card Clothing Company Limited**  
**67<sup>th</sup> Annual Report 2020-21**

# FINANCIAL DATA SUMMARY

(Rs. in Lakh)

Sr. No.	Particulars for the year ended	IND AS				IGAAP	
		31-Mar-21	31-Mar-20	31-Mar-19	31-Mar-18	31-Mar-17	31-Mar-16
	<b>STATEMENT OF PROFIT AND LOSS</b>						
1	<b>Card Clothing Sales (Net of Excise duty)</b>	4,043.87	4,236.00	3,864.10	5,231.42	4,519.10	5,760.93
	Includes Export	1,128.05	1,459.30	1,002.73	1,586.73	1,045.55	1,456.74
2	<b>Other Income</b>						
	Dividend & Interest	75.76	94.31	126.61	189.95	668.38	161.52
	Profit / (Loss) on Sale of Investment	148.17	54.16	170.26	139.91	397.03	(65.31)
	Profit on Sale of Assets	22.62	324.28	0.42	-	1,831.82	1,931.31
	Rent and other operating Income	486.98	893.04	763.13	686.75	632.87	814.69
	Others	82.54	8.00	14.23	220.92	21.27	7.77
	<b>Total</b>	<b>816.06</b>	<b>1,373.79</b>	<b>1,074.65</b>	<b>1,237.53</b>	<b>3,551.37</b>	<b>2,849.98</b>
3	Material Cost Including Stock Change	(1,459.59)	(1,796.91)	(1,874.55)	(2,081.20)	(1,609.40)	(2,073.86)
	Material Cost to Net Sales %	-36.09%	(42.42%)	(48.51%)	(39.78%)	(35.61%)	(36.00%)
4	Staff Cost	(1,196.84)	(1,251.51)	(1,521.23)	(2,426.04)	(1,894.41)	(1,866.19)
5	Other Expenses	(1,663.94)	(2,204.06)	(2,762.43)	(2,173.41)	(2,016.27)	(2,176.35)
6	Depreciation	(387.06)	(395.34)	(404.13)	(517.31)	(606.00)	(740.21)
7	Interest	(171.03)	(278.26)	(260.38)	(241.37)	(183.86)	(80.73)
8	<b>Profit Before Exceptional Items and Tax</b>	<b>(18.53)</b>	<b>(316.29)</b>	<b>(1,883.97)</b>	<b>(970.77)</b>	<b>(1,760.17)</b>	<b>1,673.21</b>
9	Exceptional item , VRS Payment	-	-	-	(1,302.30)	-	-
10	<b>Profit Before Tax</b>	<b>(18.53)</b>	<b>(316.29)</b>	<b>(1,883.97)</b>	<b>(2,273.07)</b>	<b>1,760.17</b>	<b>1,673.21</b>
11	Current & Deferred Tax	(70.31)	(101.40)	(83.36)	491.54	(307.99)	(313.36)
12	<b>Profit After Tax</b>	<b>(88.84)</b>	<b>(417.69)</b>	<b>(1,967.33)</b>	<b>(1,781.53)</b>	<b>1,452.18</b>	<b>1,359.85</b>
13	Earning Per Share Rs.	(1.70)	(9.18)	(43.23)	(39.14)	31.91	29.89
14	Dividend Per Share Rs.	-	-	-	-	12.00	14.50
	<b>BALANCE SHEET</b>						
15	<b>Fixed Assets</b>						
	Gross Block	12,264.31	11,202.55	11,421.17	11,315.07	11,308.94	11,433.08
	Depreciation	(8,171.81)	(8,033.19)	(8,110.33)	(7,716.19)	(7,219.97)	(6,705.10)
	<b>Net Block</b>	<b>4,092.50</b>	<b>3,169.36</b>	<b>3,310.84</b>	<b>3,598.88</b>	<b>4,088.97</b>	<b>4,727.98</b>
16	Investments	994.94	1,676.75	2,868.38	6,621.50	6,470.49	5,202.02
17	Other Current and non Current Assets	5,455.63	4,100.40	3,715.87	3,512.53	3,389.18	1,558.24
18	Less : Current and non Current liabilities and Provisions	(1,415.75)	(1,677.43)	(2,841.52)	(4,778.01)	(2,825.64)	(1,749.27)
19	<b>Net Current and Non Current Assets</b>	<b>4,039.88</b>	<b>2,422.97</b>	<b>874.35</b>	<b>(1,265.48)</b>	<b>563.54</b>	<b>(191.03)</b>
20	Deferred Tax	302.38	375.34	472.51	548.76	43.79	118.34
	<b>APPLICATION OF FUNDS</b>	<b>9,429.69</b>	<b>7,644.42</b>	<b>7,526.08</b>	<b>9,503.66</b>	<b>11,166.79</b>	<b>9,857.31</b>
21	Share Capital	594.11	455.11	455.11	455.11	455.11	455.11
22	Reserves & Surplus	6,676.10	5,446.26	5,875.20	7,862.76	9,780.65	8,644.42
23	Borrowings	2,159.48	1,743.05	1,195.77	1,185.79	931.03	757.78
	<b>SOURCES OF FUNDS</b>	<b>9,429.69</b>	<b>7,644.42</b>	<b>7,526.08</b>	<b>9,503.66</b>	<b>11,166.79</b>	<b>9,857.31</b>

FY 2018 and 2019 figures are restated as per IND AS where as numbers for FY 2016 and 2017 are as per Indian GAAP.

**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 LLP,  
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**

HDFC Bank Limited  
Corporation Bank

**MANAGEMENT TEAM**

Alok Misra	Chief Executive Officer
Prasad Mahale	Vice President (Sales & Marketing)
Amogh Barve	Company Secretary and Head Legal & Corporate Affairs
Chandrakant Patil	Chief Financial Officer
Nitin Latkar	Plant Head
Vishal Upadhye	Head-Human Resource

**ANNUAL GENERAL MEETING**

Tuesday, September 28, 2021, 12:00 noon  
through two-way video conferencing (VC)  
facility / Other Audio Visual Means (OAVM)  
from the Registered office of the Company.

**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](mailto:investor@cardindia.com)  
Website : [www.cardindia.com](http://www.cardindia.com)

**REGISTRAR AND TRANSFER AGENT**

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](mailto:einward.ris@kfintech.com)

**CONTENTS**

Notice	01-12
Board's Report	13-39
Management Discussion and Analysis Report	40-45
Report on Corporate Governance	46-65
Independent Auditor's Report on Standalone Financial Statements	66-73
Standalone Financial Statements together with Notes to Accounts	74-110
Independent Auditor's Report on Consolidated Financial Statements	111-117
Consolidated Financial Statements together with Notes to Accounts	118-155

**NOTICE OF 67<sup>TH</sup> ANNUAL GENERAL MEETING**

NOTICE is hereby given that the Sixty Seventh 67<sup>th</sup> Annual General Meeting of the members of THE INDIAN CARD CLOTHING COMPANY LIMITED will be held on Tuesday, September 28, 2021, at 12:00 noon (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, 2021 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, 2021, together with the report of the Auditors thereon.
- 3) To appoint a Director in place of Mr. Mehul K. Trivedi (DIN: 00030481), who retires by rotation and being eligible, offers himself for re-appointment.

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

Place : Pune  
Date : August 12, 2021

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

**NOTES:**

- 1) 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 is a norm to be followed and pursuant to General Circular Nos.14/2020, 17/2020, 20/2020 & 02/2021 dated April 8, 2020, April 13, 2020, May 5, 2020 and January 13, 2021, respectively, issued by the Ministry of Corporate Affairs (“MCA Circulars”), Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 and SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated May 12, 2020 and January 15, 2021, respectively, 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 67<sup>th</sup> 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 the members for joining the AGM through VC/OAVM are furnished as **Attachment – II** to the Notice.
- 3) Company has appointed National Securities Depository Limited (NSDL) to provide Video Conferencing facility for the 67<sup>th</sup> Annual General Meeting and the attendant enablers for conducting of the AGM.
- 4) Pursuant to the provisions of the circulars of MCA on the VC/OVAM (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 67<sup>th</sup> AGM of the Company and hence the Proxy Forms and attendance slips are not annexed hereto.
  - c) Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and participate thereat and cast their votes through e-voting.
- 5) The members can join the 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 NSDL allows participation of 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 AGM without any restriction on account of first-come- first-served principle.
- 7) The attendance of the members (members logins) attending the 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 LLP, 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 63<sup>rd</sup> 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 Wednesday, September 22, 2021 to Tuesday, September 28, 2021 (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 Nos. 31 & 32, Financial District, Nanakramguda, Serilingampally Mandal, Hyderabad – 500032, Telephone – +91-40-67162222, E-mail ID - [einward.ris@kfintech.com](mailto: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 2020-21, transferred unclaimed final dividend declared for the financial year 2012-13 to the Investor Education and Protection Fund (IEPF). During the financial year 2020-21, 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 2013-14 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, Plot Nos. 31 & 32, Financial District, Nanakramguda, Serilingampally Mandal, Hyderabad – 500032, Telephone – +91-40-67162222, E-mail ID - [einward.ris@kfintech.com](mailto: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](http://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, 2014 which remains unclaimed for a period of seven (7) years, becomes due for transfer on September 3, 2021 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 67<sup>th</sup> Annual General Meeting of the Company dated August 12, 2021 ("the Notice") along with the Annual Report 2020-21 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](http://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](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively. The same is also available on the website of e-voting agency National Securities Depository Limited (NSDL) at their website address <https://www.evoting.nsdl.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) The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Act, the register of contracts or arrangements in which the directors are interested, maintained under section 189 of the act, will be available for inspection by the members through electronic mode d u r i n g the AGM and will be also available for inspection by the members on the website of the Company at [www.cardindia.com](http://www.cardindia.com).

20) 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.

21) Further, the members attending the AGM who have not cast their vote through remote e-voting, can cast their votes by using remote e-voting facility on the day of the AGM by following the instructions stated in **Attachment - III**.

22) 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 12, 2021

**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. Mehul Kunjbihari Trivedi
Director Identification Number (DIN)	00030481
Date of Birth/Age	July 6, 1962 – 59 Years
Date of first Appointment	October 1, 1992
Qualifications	Graduated LLB (Hons.) from the London School of Economics.
Brief Resume	Mr. Mehul Kunjbihari Trivedi, a U. K. National, graduated LLB (Hons.) from The London School of Economics is a non-practising Solicitor in the United Kingdom. Mr. Trivedi practiced as a solicitor in the United Kingdom specializing in corporate law (mergers, acquisition and joint ventures). Mr. Mehul Kunjbihari Trivedi was inducted in the Company as General Manager with effect from 1 <sup>st</sup> September, 1989 to oversee operations, especially marketing (in India and abroad), production/manufacturing and areas allied thereto. Mr. Mehul Kunjbihari Trivedi served as the Managing Director of the Company from September 2011. He resigned from the position of Managing Director with effect from January 16, 2017. Mr. Mehul Trivedi continues on the board of the company as the Non-Executive Non-Independent Director. With effect from April 4, 2019, Mr. Mehul Trivedi has been appointed as Deputy Chairman of the Company.
Expertise in specific functional area	Corporate Law (Mergers, Acquisitions and Joint Ventures), General Management
Directorships in other public limited Companies as on the date of appointment	<b>Directorships in other Companies are as follows:</b> 1. Multi-Act Trade And Investments Private Limited 2. ICC International Agencies Limited 3. Acre Street India Private Limited 4. Shivraj Sugar And Allied Products Private Limited 5. Garnett Wire Limited; UK
Chairperson/Member of the Committees of Director of the Company	Member of the following Committees of the Company: 1. Stakeholders' Relationship Committee 2. CSR Committee
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 MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of "VC/OAVM link" placed under **"Join General meeting"** menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. 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 to avoid last minute rush.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at [investor@cardindia.com](mailto:investor@cardindia.com). The same will be replied by the company suitably.
6. Members, holding shares as on the cut-off date i.e. September 21, 2021 and who would like to speak or express their views or ask questions during the AGM may register themselves as speakers at [www.evoting.nsdl.com](http://www.evoting.nsdl.com) and by clicking on "Speaker Registration" 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](mailto:investor@cardindia.com) during the period commencing from Friday, September 24, 2021 (9:00 a.m. IST) and ending on Sunday, September 26, 2021 (5:00 p.m. IST). Those Members who have registered themselves as a speaker will only be allowed to speak / express their views / ask questions during the AGM. The Company reserves the right to restrict the number of questions and number of speakers, as appropriate for smooth conduct of the AGM.
7. Due to limitations of transmission and coordination during the Q&A session, the company may dispense with the speaker registration during the AGM.

ATTACHMENT – III TO THE AGM NOTICE

PROCEDURE FOR REMOTE E-VOTING AND VOTING ON THE DAY OF THE AGM:

In compliance with the provisions of Section 108 of the Act, Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time, Regulation 44 of the Listing Regulations read with SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 9<sup>th</sup> December, 2020 relating to 'e-voting Facility Provided by Listed Entities' ("SEBI e-voting Circular"), the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means as the authorized agency at its 67<sup>th</sup> AGM. The facility of casting votes by a member using remote e-Voting system as well as venue voting on the date of the AGM will be provided by NSDL.

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

**a) Day, date and time of commencement of remote e-voting:** Saturday, September 25, 2021, at 09:00 a.m. IST

**b) Day, date and time of end of remote e-voting :** Monday, September 27, 2021, at 05:00 p.m. IST





The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by a Member, the Member shall not be allowed to change it subsequently.

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 Tuesday, September 21, 2021.
3. In terms of SEBI e-voting Circular, e-voting process has been enabled for all 'individual demat account holders', by way of a single login credential, through their demat accounts / websites of Depositories / Depository Participant(s) ("DP").
4. Any person, holding shares in physical form and non-individual shareholders, who acquires shares of the Company and becomes member of the Company after the dispatch of the AGM notice is sent through e-mail and holding shares as of the cut-off date i.e. Tuesday, September 21, 2021, may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or Issuer/RTA. However, if you are already registered with NSDL for remote e-voting, then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" or "Physical User Reset Password" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no. 1800 1020 990 and 1800 22 44 30. In case of Individual Shareholders holding securities in demat mode who acquires shares of the Company and becomes a Member of the Company after sending dispatch of the AGM Notice and holding shares as of the cut-off date i.e. Tuesday, September 21, 2021, may follow steps mentioned in the Notice of the AGM under "Access to NSDL e-Voting system".

5. **How do I vote electronically using NSDL e-Voting system?**

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

**Step 1: Access to NSDL e-Voting system****A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode is given below :**

Type of Member	Login Method
Individual Members holding securities in demat mode with NSDL	<p><b>Existing Internet-based Demat Account Statement (“IDeAS”) facility Users:</b></p> <ol style="list-style-type: none"> <li>1. Visit the e-services website of NSDL <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a personal computer or on a mobile.</li> <li>2. On the e-services home page click on the “Beneficial Owner” icon under “Login” which is available under 'IDeAS' section. Thereafter enter the existing user id and password.</li> <li>3. After successful authentication, Members will be able to see e-voting services under 'Value Added Services'. Please click on “Access to e-voting” under e-voting services, after which the e-voting page will be displayed.</li> <li>4. Click on company name i.e. 'The Indian Card Clothing Company Limited' or e-voting service provider i.e. NSDL.</li> <li>5. Members will be re-directed to e-voting website of NSDL for casting their vote during the remote e-voting period and voting during the AGM.</li> </ol> <p><b>Those not registered under IDeAS:</b></p> <ol style="list-style-type: none"> <li>1. Visit <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> for registering.</li> <li>2. Select “Register Online for IDeAS Portal” or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a>.</li> <li>3. Visit the e-voting website of NSDL <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a>.</li> <li>4. Once the home page of e-voting system is launched, click on the icon “Login” which is available under 'Shareholder / Member' section. A new screen will open.</li> <li>5. Members will have to enter their User ID (i.e. the sixteen digit demat account number held with NSDL), password / OTP and a Verification Code as shown on the screen.</li> <li>6. After successful authentication, Members will be redirected to NSDL Depository site wherein they can see e-voting page.</li> <li>7. Click on company name i.e. 'The Indian Card Clothing Company Limited' or e-voting service provider name i.e. NSDL after which the Member will be redirected to e-voting service provider website for casting their vote during the remote e-voting period and voting during the AGM.</li> <li>8. Members can also download the NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience</li> </ol> <div style="text-align: center;"> <p>NSDL Mobile App is available on</p> <div style="display: flex; justify-content: center; align-items: center;">  App Store            Google Play         </div> <div style="display: flex; justify-content: center; align-items: center; gap: 20px;">   </div> </div>
Individual Members holding securities in demat mode with CDSL	<ol style="list-style-type: none"> <li>1. <b>Existing user who have opted for Electronic Access To Securities Information (“Easi / Easiest”) facility:</b> <ol style="list-style-type: none"> <li>i. Visit <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or <a href="http://www.cdslindia.com">www.cdslindia.com</a></li> <li>ii. Click on New System Myeasi.</li> <li>iii. Login to MyEasi option under quick login.</li> <li>iv. Login with the registered user ID and password.</li> <li>v. Members will be able to view the e-voting Menu. The Menu will have links of NSDL e-voting portal and will be redirected to the e-voting page of NSDL to cast their vote without any further authentication</li> </ol> </li> <li>2. <b>User not registered for Easi / Easiest</b> <ol style="list-style-type: none"> <li>i. Visit <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a> for registering.</li> <li>ii. Proceed to complete registration using the DP ID, Client ID (BO ID), etc.</li> <li>iii. After successful registration, please follow the steps given in point no. 1 above to cast your vote.</li> </ol> </li> </ol>

Type of Member	Login Method
	<b>3. Alternatively, by directly accessing the e-voting website of CDSL</b> i. Visit <a href="http://www.cdslindia.com">www.cdslindia.com</a> ii. Provide demat Account Number and PAN iii. System will authenticate user by sending OTP on registered mobile and email as recorded in the demat Account. iv. After successful authentication, please enter the e-voting module of CDSL. Click on the e-voting link available against the name of the Company, viz. 'The Indian Card Clothing Company Limited' or select NSDL. v. Members will be re-directed to the e-voting page of NSDL to cast their vote without any further authentication.
Individual Members login through their demat accounts / Website of Depository Participant	i. Members can also login using the login credentials of their demat account through their DP registered with the Depositories for e-voting facility. ii. Once logged-in, Members will be able to view e-voting option. iii. Upon clicking on e-voting option, Members will be redirected to the NSDL / CDSL website after successful authentication, wherein they will be able to view the e-voting feature. iv. Click on options available against 'The Indian Card Clothing Company Limited' or e-voting service provider i. e. NSDL. v. Members will be redirected to e-voting website of NSDL for casting their vote during the remote e-voting period without any further authentication.

**Important note:** Members who are unable to retrieve User ID / Password are advised to use Forgot user ID and Forgot Password option available at respective websites.

**Helpdesk for Individual Members holding securities in demat mode for any technical issues related to login through NSDL / CDSL:**

Login type	Helpdesk details
Securities held with NSDL	Please contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: <b>1800 1020 990</b> and <b>1800 22 44 30</b>
Securities held with CDSL	Please contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at <b>022- 23058738</b> or <b>022-23058542-43</b>

**B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode is given below :**

**How to Log-in to NSDL e-Voting website?**

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

*Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.*

## 4. Your User ID details are given below :

<b>Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical</b>	<b>Your User ID is:</b>
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID  For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID  For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company  For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***.

## 5. Password details for shareholders other than Individual shareholders are given below:

- a. If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- b. If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
- c. How to retrieve your 'initial password'?
  - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
  - (ii) If your email ID is not registered, please follow steps mentioned below in process for those shareholders whose email ids are not registered.

## 6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:

- a) Click on "Forgot User Details/Password?" (If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
- b) Physical User Reset Password? (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
- c) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
- d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

## 7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.

8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

**Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.**

**How to cast your vote electronically and join General Meeting on NSDL e-Voting system?**

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join General Meeting".
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

**Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e-mail ids for e-voting for the resolutions set out in this notice:**

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by e-mail to [investor@cardindia.com](mailto:investor@cardindia.com).
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to [investor@cardindia.com](mailto:investor@cardindia.com). If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at step 1 (A) i. e. Login method for e-Voting and joining virtual meeting for Individual Members holding securities in demat mode.
3. Alternatively shareholder/members may send a request to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

**THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE AGM ARE AS UNDER:-**

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.



4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

**Other Instructions:**

- I. A person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM.
- II. 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. Tuesday, September 21, 2021.
- III. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to [devendracs@gmail.com](mailto:devendracs@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
- IV. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.
- V. The Board of Directors has appointed Mr. Devendra Deshpande, Proprietor of DVD & Associates, Practicing Company Secretary (Membership No. F6099 / CP. No. 6515), as a Scrutinizer to scrutinize the remote e-voting process and e-voting at the AGM in a fair and transparent manner.
- VI. The Scrutinizer's decision on the validity of the vote shall be final.
- VII. 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.
- VIII. The Scrutinizer after scrutinizing the votes cast on the day of AGM 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.
- IX. The results declared along with the Scrutinizer's report will be forwarded to BSE Limited and National Stock Exchange of India Limited; be displayed at the Registered Office of the Company and simultaneously uploaded on the Company's website viz. [www.cardindia.com](http://www.cardindia.com) and [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
- X. 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., Tuesday, September 28, 2021.
- XI. 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 [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to Ms. Prajakta Pawle at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)

**BOARD'S REPORT**

To  
The Members of  
The Indian Card Clothing Company Limited

Your directors' present their Sixty Seventh Annual Report on the business and operations of the Company, together with the Audited Financial Statements for the year ended March 31, 2021.

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	
	2020-21	2019-20
Revenue from operations	4,530.85	5,128.04
Other Income	306.46	157.46
<b>Total income</b>	<b>4,837.31</b>	<b>5,285.50</b>
Finance cost	171.03	278.26
Depreciation	387.06	395.34
<b>Profit / (Loss) before exceptional items</b>	<b>(41.15)</b>	<b>(640.58)</b>
Exceptional items	22.62	324.28
<b>Profit / (Loss) Before Tax</b>	<b>(18.53)</b>	<b>(316.30)</b>
Provision for Tax (including deferred tax)	70.31	101.41
<b>Profit / (Loss) After Tax</b>	<b>(88.84)</b>	<b>(417.71)</b>
Other Comprehensive Income	7.51	(11.23)
<b>Total Comprehensive Income for the year</b>	<b>(81.33)</b>	<b>(428.94)</b>

**2) PERFORMANCE REVIEW:**

During the year under review, the Company earned a total revenue of **Rs. 4,837.31** Lakh as against Rs. 5,285.50 Lakh in the previous year. The loss incurred by the Company for the financial year 2020-21 has been Rs. 81.33 Lakh against loss of Rs. 428.94 Lakh for the financial year 2019-20.

**Highlights:**

- Issue and allotment of Equity Shares on Preferential basis to the promoters increasing their stake from 57.35% to 67.33%.
- Adoption of New set of Articles of Association.
- Invested in the Equity Share Capital of ICC International Agencies Limited (ICCIAL), Wholly Owned Subsidiary of the Company by participating in its Rights Issue.
- Developed new range wires for different Nonwoven applications.
- New service station started at Panipat for providing prompt service to the Non-woven sector
- Acquisition of a commercial building, ICC Chambers - I situated at Saki Vihar Road, Powai, Mumbai - 400072.

**3) SHARE CAPITAL:**

During the year under review, following changes took place in the equity share capital of the Company:

**a. Increase in the Authorised Share Capital:**

The members of the Company at their 66<sup>th</sup> Annual General Meeting held on Thursday, September 24, 2020 accorded their consent to increase the authorized share capital of the Company.

Accordingly, authorised share capital of the Company has been increased 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 and by substituting the existing Clause 5 thereof with the following new Clause 5 in the Memorandum of Association :

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.

**b. Issue of Equity Shares on preferential & private placement basis:**

Considering the impact of COVID-19 global pandemic and the resultant lockdown on the operations of the Company and its subsidiaries in India and abroad, the Company reviewed its requirements for long-term permanent sources of capital to fund the capital expenditure proposals of the Realty Division and Card Clothing Division for improving the quality and operating efficiency as also to make strategic investments in subsidiaries and for expansion of Company's market share in International markets given its new product range. The Company, therefore, raised equity capital by way of a preferential allotment of 13,90,000 fully paid-up equity shares of face value of Rs. 10/- at an issue price of Rs. 105/- [including a premium of Rs. 95/-] per equity share, to Multi-Act Industrial Enterprises Limited ("MAIEL"), Mauritius, the holding Company belonging to promoter category of the Company.

Accordingly, paid up Share capital of the Company has been increased from existing Rs. 4,55,11,200 (rupees four crores fifty-five lakh eleven thousand two hundred only) to Rs. 5,94,11,200 (rupees five crores ninety-four lakh eleven thousand two hundred only).

Further, 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, 2021, none of the Directors of the Company hold instruments convertible into equity shares of the Company.

**4) STATE OF THE COMPANY'S AFFAIRS:**

The Covid-19 Pandemic and the resultant lockdown considerably impacted the growth of the Company. During the first quarter of the financial year 2020-21, almost all the domestic and export customers were closed on account of the lockdown. After the lockdown in the first quarter, the customers restarted their operations with a very low operating capacity. The recovery in the textile sector picked-up pace from the second quarter of the financial year 2020-21. As a result of this together with the continuous efforts of the Sales & Marketing team, the Card Clothing Division of the Company was able to more-or-less maintain the pre-covid levels by achieving a turnover of approx. Rs. 41 crores during the year under review.

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 2020-21:**

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 2020-21:

During the year under review, there has been no change in the constitution of the Board of Directors of the Company.

Further, Mr. Mehul Trivedi (DIN: 00030481), 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. Mehul 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.

d) Changes in Key Managerial Personnel during the year 2020-21:

Mr. Chandrakant Patil was appointed as CFO of the Company with effect from September 28, 2020.

**6) DIVIDEND:**

Your Directors do not recommend any dividend for the year under review. No amount was transferred to reserves 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. 120.45 Lakh in the previous year to Rs. 63.76 Lakh in the financial year 2020-21. Further, ICCIAL recorded loss after tax of Rs. 106.67 Lakh in the current year against previous year's loss after tax of Rs. 81.98 Lakh. The reduced revenue and the after-tax loss incurred was mainly due to the impact of Covid-19 pandemic and the resultant lockdowns imposed in India and across the world forcing the textile manufacturers to defer their capital expenditures.

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 1% in its revenue from £1,016,754 (equivalent to Rs. 938.21 Lakh) to £1,008,172 (equivalent to Rs. 979.05 Lakh). The after-tax loss is £35,875 (equivalent to Rs. 34.85 Lakh) as against previous year's after tax loss of £10,842 (equivalent to Rs. 10.00 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 63<sup>rd</sup> 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 63<sup>rd</sup> AGM till the conclusion of the 68<sup>th</sup> AGM of the Company.

M/s P. G. Bhagwat, Chartered Accountants, a partnership firm was converted into Limited Liability Partnership with effect 28<sup>th</sup> September 2020, now known as P. G. Bhagwat LLP, Chartered Accountants.

**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 2020-21, as required under Section 204 of the Companies Act, 2013 and the rules made thereunder.

The Secretarial Audit Report for the financial year 2020-21 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, 2021, 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, 2021;
- 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 inter alia 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/2019/05/Nomination-Remuneration-Policy-Revised.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 done 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 2020-21. 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	The percentage increase of approx. 22% in the remuneration paid to Mr. Misra during the year was on account of performance linked payment paid to Mr. Misra as per the terms of his remuneration approved by the shareholders by way of special resolution in the Annual General Meeting held on July 29, 2019.
Mr. Chandrakant Dattatray Patil (appointment as CFO with effect from September 28, 2020)	Nil
Mr. Amogh Barve Company Secretary	Nil

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

There was no increase in the median remuneration of employees in the financial year due to reduction in headcounts.

- d) *The number of permanent employees on the rolls of the Company as on March 31, 2021: 221*

- 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 242 to 221.

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% during a financial year.

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 2020-21, 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, the Company has invested in the Equity Share Capital of ICC International Agencies Limited (ICCIAL), Wholly Owned Subsidiary of the Company a sum of Rs. 50,00,000/- (Rupees Fifty Lakhs Only) by subscribing 5,00,000 equity shares of Rs. 10/- each by participating under Rights Issue of ICCIAL.

The Company also provided short-term loan from time to time to ICC International Agencies Limited (ICCIAL) Wholly Owned Subsidiary of the Company @ 7.50% per annum which was exempted under section 185(3)(c) of the Companies Act, 2013, and the total outstanding balance as on March 31, 2021 is Rs. 28 lakhs.

**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, 2021, 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 2020-21 and hence, has not spent any amount on CSR activities during the financial year 2020-21.

**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 2020-21, 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 24, 2021

**Prashant Trivedi**  
Chairman  
(DIN : 00167782)

**ANNEXURE – A**

**FORM NO. MR-3**

**SECRETARIAL AUDIT REPORT**

**FOR THE FINANCIAL YEAR ENDED 31<sup>st</sup> MARCH, 2021**

[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 1<sup>st</sup> April 2020 to 31<sup>st</sup> March 2021, 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 31<sup>st</sup> March 2021, 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 31<sup>st</sup> March 2021 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
- (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)**;
- (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

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 at the Annual General Meeting (AGM) for issue of Equity Shares on preferential basis to Multi-Act Industrial Enterprises Limited, Mauritius, Promoters of the Company up to 13,90,000 Equity Shares of face value Rs.10/- each at issue price of Rs. 105/- per share and accordingly the Company has made the allotment of 13,90,000 equity shares to the promoters mentioned above under this preferential issue. In the said AGM the Company has also adopted a new set of Articles of Association, altered its Memorandum of Association to give effect to increased in its authorised capital from Rs. 5 crores to Rs. 10 crores. 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 PR NO: 1164/2021**

**Place: Pune**  
**Date: 24<sup>th</sup> June 2021**  
**UDIN: F006099C000506555**

**ANNEXURE A**

**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 efficiency 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 : 24<sup>th</sup> June 2021**

**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 6 (b) of this Policy dealing with Remuneration to Managing Director / Whole-time Director / Executive Director / Manager.

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.

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## ANNEXURE – C

## DETAILS OF TOP TEN EMPLOYEES AS ON MARCH 31, 2021, 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	93.31	Permanent Employee	B Tech. (Chem)	32	May 7, 2019	55	Polycab India Limited
2	Prasad Mahale	Vice President - Sales & Marketing	32.05	Permanent Employee	BE (Computers), MBA	24	November 07, 2011	44	Honeywell International
3	Nitin Sharad Latkar	Plant Head	26.85	Permanent Employee	BE (Mech)	29	July 1, 2019	51	Upscale Solutions
4	Vishal Upadhye	Head - HR & Administration	20.36	Permanent Employee	MBA (HR)	18	January 3, 2019	37	Genomological Institute of America (GIA) India Pvt. Ltd.
5	Amogh Barve	Company Secretary and Head - Legal & Corporate Affairs	20.04	Permanent Employee	B. Com, LLB, CS	21	March 1, 2019	41	Mohammed Enterprises (Tanzania) Limited
6	Chandrakant Patil	Chief Financial Officer	19.10	Permanent Employee	CA (Inter), MBA	18	May 6, 2020	42	Delux Bearings Pvt. Ltd.
7	Ashok Kumar Pal	Vice President - Product Development & Technical Support.	17.80	Permanent Employee	B.Sc. Tech (Textile Technology)	39	November 21, 1988	62	MMC Limited, Kolkata
8	Deviakumar S	Regional Head - South Zone & Head Export	14.76	Permanent Employee	Dip. (Text), BBA	34	January 22, 1999	51	G.D. Textiles Pvt. Ltd.
9	Vivek Shimbhate	Manager – ISD	14.41	Permanent Employee	MSC (Comp)	17	May 10, 2017	48	Uniken India Pvt. Ltd.
10	Aksaykumar Sharma	Manager- Security & Executive Assistant to Chairman	14.25	Permanent Employee	MBA (HR)	12	Feb 10, 2020	33	Reliance Group Support Services 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, 2021 is as follows:

**A) CONSERVATION OF ENERGY:**

i) Steps taken or impact on conservation of energy:

Steps taken during the year 2020-21 towards conservation of energy are given below:

- Daily monitoring & tracking of the energy consumption to analyze the trends and take actions to reduce the consumption.
- Reduction in machine breakdown helped to improve the utilization of energy.
- LED lights installed on the floor to reduce energy consumption.
- Reduced air leakages in the plant to reduce load on the compressor and reduce energy consumption.
- Optimum utilization of air conditioning, dust extraction plant and compressed air.

Due to the lower consumption of power and steps taken towards the conservation of energy as mentioned above we have reduced energy consumption by Rs. 100 per Lakh of goods produced in the year 2020-21 as compared to financial 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 2020-21 on Technology Absorption are as follows:

- Developed process automation on Tops setting and fillet setting machines to reduce errors during manufacturing while improving tolerances and deviations.
- Automation and process improvements for improved manufacturing tolerances.
- Developed new design Tops for improved performance on latest generation of very high production cards.
- Developed stationery flat with improved quality parameters for longer life on high production cards.
- Developed new profiles and wires for waste recycling plants and blow room applications.
- Developed new concept service machinery for Nonwoven cards to improve working performance of nonwoven cards.

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

- Automation processes developed has enabled continuous online checking of the tops and fillets during its manufacturing process. This would eliminate any possible error prevailing in manual checking process. While it would ensure achieve desired quality standard, it would also improve the tolerances and deviations, as all the checking is done on real time basis. This will enable improved quality output by Tops and fillets.
- New design Tops has been developed to work on very high production card, while maintaining the higher carding efficiency. The new design will enable to maintain cleanliness in the Tops while working at higher productivity. The special design helps in delivering better carding performance at very high production rate.
- Wires with new composition developed for high production cards processing coarse and medium mixings which in turn has helped in improving working life of the card clothing. This will also result in reduction of frequency of card stoppage due reduced requirement of maintenance activity. This would also improve the consistency in the card output quality.
- Stationery flats with improved quality parameters has helped in increasing the working life especially in the pre-carding segment, where it undergoes maximum wear. Use of latest technology in processes has helped in achieving smoother wire surface with high life working edges, which will help in reduced friction during working while maintaining effective fibre tuft opening capability. This will also help in lowering of fibre rupture and cooler working at very high production rate.
- New wires developed for the rising number of waste recycling plants and blow room, both in domestic and export market. Development of the profiles has enabled to expand the offering and enter new market segments.
- Development of new design service machines for Nonwoven cards has resulted in quickly activating the working surfaces of a non- woven card with minimum downtime of the card.
- New ranges of Interlocking wires developed to process variety of fibres used in various segments of Nonwoven Industry. We could increase our product offering for Meditech, Hometech, Geotech and Mobiltech sectors. Ever increasing demand of Nonwoven industries both in domestic as well as export market have been successfully met.

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 2020-21: Rs. 20.79 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	305.23
Earned	1,128.05

# THE INDIAN CARD CLOTHING COMPANY LIMITED

## ANNEXURE – E

### FORM NO. MGT – 9

#### EXTRACT OF ANNUAL RETURN

#### AS ON THE FINANCIAL YEAR ENDED ON MARCH 31, 2021

[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.: +91-20-26151618
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 Nos. 31 & 32, Financial District, Nanakramguda, Serilingampally Mandal, 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	86%
2)	Realty	68100	14%

#### 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	67.33	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)

#### 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	-	-	-	-	-	-	-	-	-
	<b>Sub-Total (A)(1)</b>	<b>100</b>	<b>-</b>	<b>100</b>	<b>0.00</b>	<b>100</b>	<b>0</b>	<b>100</b>	<b>0.00</b>	<b>-</b>
2)	FOREIGN									
a	NRIs – Individuals	-	-	-	-	-	-	-	-	-
b	Other – Individuals	-	-	-	-	-	-	-	-	-
c	Bodies Corporate	2,610,066	-	2,610,066	57.35	4,000,066	-	4,000,066	67.33	9.98
d	Banks / FI	-	-	-	-	-	-	-	-	-
e	Any Other	-	-	-	-	-	-	-	-	-
	<b>Sub-Total (A)(2)</b>	<b>2,610,066</b>	<b>0</b>	<b>2,610,066</b>	<b>57.35</b>	<b>4,000,066</b>	<b>0</b>	<b>4,000,066</b>	<b>67.33</b>	<b>9.98</b>
	<b>TOTAL SHAREHOLDING OF PROMOTERS (A) = (A)(1) + (A)(2)</b>	<b>2,610,166</b>	<b>0</b>	<b>2,610,166</b>	<b>57.35</b>	<b>4,000,166</b>	<b>0</b>	<b>4,000,166</b>	<b>67.33</b>	<b>9.98</b>
B	PUBLIC SHAREHOLDING									
1)	Institutions									
a	Mutual Funds	-	-	-	-	-	-	-	-	-
b	Banks / FI	207	1,750	1,957	0.04	207	1,750	1,957	0.03	(0.01)
c	Central Government	-	-	-	-	-	-	-	-	-
d	State Government(s)	-	-	-	-	-	-	-	-	-
e	Venture Capital Funds	-	-	-	-	-	-	-	-	-
f	Insurance Companies	-	-	-	-	-	-	-	-	-
g	FIs	-	-	-	-	-	-	-	-	-
h	Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i	Others	-	-	-	-	-	-	-	-	-
	<b>Sub-Total (B)(1)</b>	<b>207</b>	<b>1,750</b>	<b>1,957</b>	<b>0.04</b>	<b>207</b>	<b>1,750</b>	<b>1,957</b>	<b>0.03</b>	<b>(0.01)</b>
2)	Non-Institutions									
a	Bodies Corporate									
i	Indian	160,824	150	160,974	3.54	137,999	150	138,149	2.33	(1.21)
ii	Overseas	-	-	-	-	-	-	-	-	-
b	Individuals									
i	Individual shareholders holding nominal share capital up to Rs. 1 lakh	1,283,087	101,097	1,384,184	30.41	1,214,510	98,688	1,313,198	22.10	(8.31)
ii	Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	340,276	-	340,276	7.48	441,184	-	441,184	7.43	(0.05)
c	Others									
i	Non-Resident Indians	14,145	75	14,220	0.31	11,503	75	11,578	0.19	(0.12)
ii	Clearing Members	1,635	-	1,635	0.04	1,303	-	1,303	0.02	(0.01)
iii	Trusts	50	-	50	0.00	50	-	50	0.00	0.00
iv	NBFC	6,637	-	6,637	0.15	0	-	0	0.00	(0.15)
v	Investor Education and Protection Fund	31,021	0	31,021	0.68	33,535	0	33,535	0.56	(0.12)
	<b>Sub-Total (B)(2)</b>	<b>1,837,675</b>	<b>101,322</b>	<b>1,938,997</b>	<b>42.60</b>	<b>1,840,084</b>	<b>98,913</b>	<b>19,38,997</b>	<b>32.64</b>	<b>(9.97)</b>
	<b>Total Public Shareholding (B) = (B)(1) + (B)(2)</b>	<b>1,837,882</b>	<b>103,072</b>	<b>1,940,954</b>	<b>42.65</b>	<b>1,840,291</b>	<b>100,663</b>	<b>1,940,954</b>	<b>32.67</b>	<b>(9.98)</b>
C	SHARES HELD BY CUSTODIAN FOR GDRs AND ADRs	-	-	-	-	-	-	-	-	-
	<b>GRAND TOTAL (A+B+C)</b>	<b>4,448,048</b>	<b>103,072</b>	<b>4,551,120</b>	<b>100.00</b>	<b>5,840,457</b>	<b>100,663</b>	<b>5,941,120</b>	<b>100.00</b>	<b>-</b>

# THE INDIAN CARD CLOTHING COMPANY LIMITED

## 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	-	4,000,066	67.33	-	9.98
2	Multi-Act Trade and Investments Private Limited	100	0.00	-	100	0.00	-	-
<b>Total</b>		<b>2,610,166</b>	<b>57.35</b>	<b>-</b>	<b>4,000,166</b>	<b>67.33</b>	<b>-</b>	<b>-</b>

## iii) Change in Promoters' shareholding

Sr. No.	Particular	Shareholding at the beginning of the year		Shareholding at the end of the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1	Multi-Act Industrial Enterprises Limited, Mauritius				
	At the beginning of the year	2,610,066	57.35	2,610,066	57.35
	(+) Allotment of equity shares of the Company on Preferential and Private Placement basis	-	-	13,90,000	9.98
	At the end of the year	-	-	4,000,066	67.33

## iv) 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	<b>Ashok Kumar Jain</b>				
	At the beginning of the year	1,37,441	3.020	1,37,441	3.020
	Increase / Decrease during the year				
	Purchase on August 14, 2020	21	0.000	1,37,462	3.020
	Purchase on November 20, 2020	209	0.004	1,37,671	2.317
	Purchase on December 18, 2020	241	0.004	1,37,912	2.321
	Purchase on December 31, 2020	1,350	0.023	1,39,262	2.344
	Purchase on January 8, 2021	18,720	0.315	1,57,982	2.659
	Purchase on January 22, 2021	119	0.002	1,58,101	2.661
	Purchase on January 29, 2021	1,800	0.030	1,59,901	2.691
	Purchase on February 5, 2021	9,090	0.153	1,68,991	2.844
	Purchase on February 12, 2021	2,700	0.045	1,71,691	2.890
	Purchase on March 5, 2021	4,680	0.079	1,76,371	2.969
	Purchase on March 12, 2021	900	0.015	1,77,271	2.984
	<b>At the end of the year</b>			<b>1,77,271</b>	<b>2.984</b>



2	<b>Alka Jain</b>				
	At the beginning of the year	57,225	1.257	57,225	1.257
	Increase / Decrease during the year				
	Purchase on August 14, 2020	76	0.002	57,301	1.259
	Purchase on December 18, 2020	6,602	0.111	63,903	1.076
	Purchase on December 31, 2020	2,700	0.045	66,603	1.121
	Purchase on February 5, 2021	2,451	0.041	69,054	1.162
	Purchase on February 12, 2021	7,967	0.134	77,021	1.296
	<b>At the end of the year</b>			<b>77,021</b>	<b>1.296</b>
3	<b>Ajinkya Electromelt Pvt. Ltd.</b>				
	At the beginning of the year	70,379	1.546	70,379	1.546
	Increase / Decrease during the year				
	Sold on December 11, 2020	(359)	(0.006)	70,020	1.179
	Sold on December 18, 2020	(4,019)	(0.068)	66,001	1.111
	Sold on February 19, 2021	(1,119)	(0.019)	64,882	1.092
	<b>At the end of the year</b>			<b>64,882</b>	<b>1.092</b>
4	<b>Investor Education &amp; Protection – Fund Authority</b>				
	At the beginning of the year	31,021	0.681	31,021	0.681
	Increase / Decrease during the year				
	Transferred on December 25, 2020	2,514	0.042	33,535	0.564
	<b>At the end of the year</b>	-	-	<b>33,535</b>	<b>0.564</b>
5	<b>Pravin Mithalal Gandhi</b>				
	At the beginning of the year	22,665	0.498	22,665	0.498
	Increase / Decrease during the year				
	Purchase on June 12, 2020	500	0.011	23,165	0.509
	Purchase on August 14, 2020	174	0.004	23,339	0.513
	Purchase on August 21, 2020	400	0.009	23,739	0.522
	Purchase on September 25, 2020	2,337	0.051	26,076	0.573
	Purchase on December 18, 2020	2,360	0.040	28,436	0.479
	<b>At the end of the year</b>			<b>28,436</b>	<b>0.479</b>
6	<b>Rajiv Malhotra</b>				
	At the beginning of the year	27,200	0.597	27,200	0.597
	Increase / Decrease during the year				
	Sold on April 10, 2020	(218)	(0.005)	26,982	0.593
	Sold on April 17, 2020	(112)	(0.002)	26,870	0.590
	Sold on April 24, 2020	(150)	(0.003)	26,720	0.587
	Sold on May 15, 2020	(823)	(0.018)	25,897	0.569
	Sold on August 7, 2020	(2,334)	(0.051)	23,563	0.518
	Purchase on September 9, 2020	2,334	0.051	25,897	0.569
	Sold on November 27, 2020	(45)	(0.001)	25,832	0.435
	Sold on January 8, 2021	(500)	(0.008)	25,332	0.427
	Sold on February 5, 2021	(753)	(0.013)	24,599	0.414
	Sold on February 12, 2021	(1,000)	(0.017)	23,599	0.397
	Sold on February 26, 2021	(38)	(0.001)	23,561	0.397
	Sold on March 12, 2021	(338)	(0.006)	23,223	0.391
	Sold on March 19, 2021	(966)	(0.016)	22,257	0.375
	<b>At the end of the year</b>			<b>22,257</b>	<b>0.375</b>
7	<b>Sangeetha S</b>				
	At the beginning of the year	20,590	0.452	20,590	0.452
	Increase / Decrease during the year				
	<b>At the end of the year</b>			<b>20,590</b>	<b>0.347</b>

# THE INDIAN CARD CLOTHING COMPANY LIMITED

<b>8</b>	<b>CH Kiron</b>				
	At the beginning of the year	<b>20,000</b>	<b>0.439</b>	<b>20,000</b>	<b>0.439</b>
	Increase / Decrease during the year				
	At the end of the year			<b>20,000</b>	<b>0.337</b>
<b>9</b>	<b>Usha Jain*</b>				
	At the beginning of the year	<b>9,337</b>	<b>0.205</b>	<b>9,337</b>	<b>0.205</b>
	Increase / Decrease during the year				
	Purchase on December 31, 2020	925	0.016	10,262	0.173
	Purchase on January 1, 2021	2,000	0.034	12,262	0.206
	Purchase on January 8, 2021	2,000	0.034	14,262	0.240
	Purchase on January 15, 2021	1,000	0.017	15,262	0.257
	Purchase on March 12, 2021	1,000	0.017	16,262	0.274
	At the end of the year			<b>16,262</b>	<b>0.274</b>
<b>10</b>	<b>Surabhakti Commodities (P) Ltd.</b>				
	At the beginning of the year	<b>15,998</b>	<b>0.352</b>	<b>15,998</b>	<b>0.352</b>
	Increase / Decrease during the year				
	At the end of the year			<b>15,998</b>	<b>0.352</b>
<b>11</b>	<b>G Shankar#</b>				
	At the beginning of the year	<b>22,000</b>	<b>0.483</b>	<b>22,000</b>	<b>0.483</b>
	Increase / Decrease during the year				
	Purchased on December 11, 2020	1,000	0.017	23,000	0.387
	Sold on December 18, 2020	(1,440)	(0.024)	21,560	0.363
	Sold on January 8, 2021	(14,797)	(0.249)	6,763	0.114
	Sold on January 15, 2021	(3,541)	(0.060)	3,222	0.054
	Sold on February 2, 2021	(3,222)	(0.054)	0	0.000
	At the end of the year			<b>0</b>	<b>0.000</b>
<b>12</b>	<b>Muktilal Ganulal Paldiwal</b>				
	At the beginning of the year	<b>17,191</b>	<b>0.378</b>	<b>17,191</b>	<b>0.378</b>
	Increase / Decrease during the year	-	-	-	-
	Sold on January 8, 2021	(431)	(0.007)	16,760	0.282
	Sold on February 5, 2021	(1,941)	(0.033)	14,819	0.249
	Sold on February 12, 2021	(1,000)	(0.017)	13,819	0.233
	At the end of the year			<b>13,819</b>	<b>0.233</b>

# Ceased to be in the list of Top 10 shareholders as on March 31, 2021. The same has been reflected above since the shareholder was one of the Top 10 shareholders as on April 1, 2020.

\* Not in the list of Top 10 shareholders as on April 1, 2020. The same has been reflected above since the shareholder was one of the Top 10 shareholders as on March 31, 2021.

## 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
<b>Indebtedness at the beginning of the financial year</b>				
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
<b>Total (i+ ii + iii)</b>	<b>1,751.43</b>	<b>-</b>	<b>-</b>	<b>1,751.43</b>
<b>Change in indebtedness during the financial year</b>				
i) Addition	*1,101.68	-	-	1,101.68
ii) Reduction	(655.64)	-	-	(655.64)
<b>Net Change</b>	<b>446.60</b>	<b>-</b>	<b>-</b>	<b>446.60</b>
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	2,197.47	-	-	2,197.47
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	33.92	-	-	33.92
<b>Total (i + ii + iii)</b>	<b>2,221.39</b>	<b>-</b>	<b>-</b>	<b>2,221.39</b>

\* During the year under review, the Company has received balance ECB drawdown of US\$ 1.5 Million from its overseas parent Company, i.e., Multi-Act Industrial Enterprises, Mauritius (MAIEL). This amount is shown under head addition during the year at closing USD Rate.

**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 • 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	93.31	93.31
2)	Stock Option	-	-
3)	Sweat Equity	-	-
4)	Commission • As percent of profit • Others, Specify	- -	- -
5)	Others	-	-
	<b>Total (A)</b>	<b>93.31</b>	<b>93.31</b>
	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 65<sup>th</sup> 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.

# THE INDIAN CARD CLOTHING COMPANY LIMITED

## 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	2.10	3.90	3.85	3.60	1.50	2.25	2.30	19.50
• Commission	-	-	-	-	-	-	-	-
• Others – Consultancy Fee	-	-	-	-	-	-	15.00	15.00
<b>Total Managerial Remuneration</b>	2.10	3.90	3.85	3.60	1.50	2.25	17.30	<b>34.50</b>
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/ Manager)	* Mr. Chandrakant Patil (CFO)	Mr. Amogh Barve (Company Secretary)	Total Amount
1)	Gross Salary				
	• Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	93.31	19.10	20.04	132.45
	• 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	-	-	-	-
2)	Stock Option	-	-	-	-
3)	Sweat Equity	-	-	-	-
4)	Commission				
	• As percent of profit	-	-	-	-
	• Others, Specify	-	-	-	-
5)	Others, please specify	-	-	-	-
	<b>Total</b>	<b>93.31</b>	<b>19.10</b>	<b>20.04</b>	<b>132.45</b>

\* Mr. Chandrakant Patil was appointed as CFO of the Company with effect from September 28, 2020.

## VII. Penalties / Punishment / Compounding of Offences: NIL

For and on behalf of the Board of Directors

Place : Pune  
Date : June 24, 2021

**Prashant Trivedi**  
Chairman  
(DIN : 00167782)

## **MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

### **A) Industry Structure and Developments:**

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. The main objective of carding is to separate entangled tufts of fibres from bales and to deliver the individual fibres in the form of a web. The principle of carding is mechanical action, in which the fibres are held by one surface while another combs them out. At the centre of the card is a large rotating metallic cylinder covered with wire or fine metallic teeth, generally referred to as the 'Card Clothing'. The cylinder is partly surrounded by an endless belt of a large number of narrow, cast iron or aluminium flats positioned along the top of the cylinder. 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.

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 / operational 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 2020-21 was approx. 129 Lakh hectares which is less than last financial year by approx. 4 lakh hectares. The Cotton production during the year 2020-21 was approx. 371 Lakh bales as against production of 365 Lakh bales during the previous financial year 2019-20 (*Figures are as estimated by the Committee on Cotton Production and Consumption (COCPC) in its meeting held on 25.01.2021*).

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. The operational card base of carding machines in India reduced by approx. 21% during the year 2020-21 which includes reduction in very slow speed cards by 22%, medium speed cards by 28% and super production cards by 8% (*source: ICC's proprietary data and analysis April 2021*).

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. 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.

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 and are favoured by spinning mills processing coarse and medium counts. 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. In spite of impact of the pandemic, the company was able to gain 1% market share due to its prompt service, quicker delivery, acceptable quality at reasonable prices and introduction of new products in line with market needs.

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's new products like ProLyf and ProLyf+ have demonstrated good results in the market and customers have accepted this combination for its consistent results, quality and comparative cost.
- Ability to supply a full range of wires for non-woven applications (a nascent but growing area in the textile eco-system), which were heretofore imported by mills.

- Focus on Research and Development to continuously improve the processes and development of new products.
- Fully installed and operational capacity at Nalagarh is ready to meet the market demand with minimum possible lead time for supplies.
- The Company has acquired a reputation of being able to provide solutions for many problems related to carding faced by spinning mills through its institutional knowledge and vast experience.
- 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.
- 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.

### Weaknesses

- Low-cost solutions offered by Chinese card clothing manufacturers with the strategy to gain market share in some south-east markets which are Company's stronghold.
- The Company does not have a close association with a leading carding machine manufacturer in and outside India.

### Opportunities:

- Opportunities expected due to new textile policy being formulated by Government of India with an aim to attract large investment and employment generation in the textile sector to further boost domestic manufacturing and to create world class infrastructure at one place.
- Opportunities arising out of development and high-quality new products and quality improvement initiatives taken by the Company.
- Expected growth in nonwoven and technical textile industry in India and overseas markets in which the Company has inherent product and application knowledge.
- 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.
- Improved competitiveness of the Indian textile spinning industry relative to the Chinese textile industry.

### Threats:

- Continued threat of Covid-19 Pandemic and its overall impact on the industry.
- European manufacturers willing to reduce prices to capture market share in medium and high production card market.
- Competition from Chinese card clothing manufacturers who have emerged as value for money provider placing pressure on margins.

## **C) Operations**

### **i) Product-wise Operational performance:**

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

- Metallic:

On account of global slow down due to pandemic, the company's sale in Metallic sector got reduced by approx. 7% in the financial year 2020-21 as compared to the previous financial year.

- Non-woven:

On account of demand from technical textiles, there was an increase in sales of the non-woven sector by approx. 35% in the financial year 2020-21 as compared to the previous financial year.

- Machines:

The pandemic pushed spinning mills to defer their capital investments which resulted in decrease in sales of Machines sector by approx. 18% in the financial year 2020-21 as compared to the previous financial year.

- Servicing:

Due to nationwide lockdown, spinning mills were non-operational for almost three to four months during the financial year 2020-21 which resulted in decrease in revenue from Servicing by approx. 12% in the financial year 2020-21 as compared to the previous financial year.

## ii) Measures taken for improving the operational efficiency:

The operations team at Nalagarh took various measures during the year to improve the operational efficiency. Better production planning and improvement in uptime of the machines in the plant helped the Company to improve Overall Equipment Effectiveness (OEE) of the machines. In its continuous efforts to improve its operational efficiency, principles of LEAN manufacturing were adopted. Various automation projects were undertaken during the year under review for the purpose of quality improvement of the products of the Company. In addition to this various technical training sessions were conducted to consciously improve the operational efficiency. All this helped the Company to achieve its 'on-time in full' (OTIF) target of 95% by making timely supplies to its customers. Strict controls were also exercised to control costs.

During the year, the team worked extensively on development of its new products and its acceptability in the super production card segment.

In the current situation of CoVID-19 Pandemic, the Company took all the 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.

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 challenging time faced due to severe impact of CoVID-19 Pandemic and the resultant lockdown.

## D) Outlook:

The CoVID-19 Pandemic and the resultant lockdown considerably impacted the growth of the Company. During the first quarter of the financial year 2020-21, almost all the domestic and export customers were closed on account of the lockdown. After the lockdown in the first quarter, the customers restarted their operations with a very low operating capacity. The recovery in the textile sector picked-up pace from the second quarter of the financial year 2020-21. As a result of this together with the continuous efforts of the Sales & Marketing team, the Card Clothing Division of the Company was able to more-or-less maintain the pre-covid levels by achieving a turnover of approx. Rs. 41 crores during the year under review.

After a turbulent first quarter of financial year 2020-21 marked by production curtailment across the industry amid the nation-wide lockdown, spinning mills witnessed a sequential recovery. Even though risks arising from resurgence of Covid-19 infections remain, it is expected that, competitive prices of Indian cotton in export market will spur growth in the production of overseas spinning mills and an improvement in the yarn prices relative to cotton prices in the domestic market should ensure stable trading conditions for spinning mills in domestic as well as in exports markets. In addition to the above, intense vaccination drives across the world would help to reduce the impact of Covid-19 pandemic on the business operations. The overall business performance of the spinning mills is expected to revert to the pre-pandemic levels by second half of the financial year 2020-21. (Source : ICRA Report on Indian Cotton Spinning Industry Trends & Outlook, January 2021 and Cotton & Yarn update-April, 2021 issued by CARE Ratings).

India's overall textile exports during financial year 2019-20 stood at US\$ 35.04 billion and on account of the global slow down and pandemic during the financial year 2020-21, the overall textile export reached only to US\$ 31.68 billion recording a reduction of approx. 9.59% as compared to previous financial year. To counter this situation and also to improve the domestic demand in textile, Indian government has introduced a number of export promotion policies and is also formulating a New Textile Policy. 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/>)

The New Textile Policy is proposed to be launched by the Central Government with the intention to attract large investment and employment generation in the sector to further boost domestic manufacturing and to create world class Infrastructure. The Government of India has already taken following measures to revive the textile sector (Source : [www.iebf.org/](http://www.iebf.org/)):

- In the Union Budget 2021-22, an amount of approx. Rs. 3,631.64 Crores have been allotted to Ministry of Textile.
- Mega Investments Textiles Park (MITRA) scheme, in addition to production-linked incentive (PLI) scheme, to establish seven textile parks over a three-year period.
- Uniform reduction of basic customs duty (BCD) rates on various textile products.

In view of the above, your Management is cautiously optimistic about the improvement in the present revenue levels in the coming financial year 2021-22. Further, the Company is fully focused on its efforts to carry out all round 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 86% 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 2020-21:

- Decline in exports of cotton yarn on account of global slow down and Covid-19 in the first half of the financial year 2020-21.
- Revenue loss on account lockdown in India because of Covid-19.
- Loss of yarn export sale to Pakistan on account of trade barriers.
- loss of export revenue due to lockdown in key export markets because of Covid-19.
- Manufacturing cost of cotton garments and made ups in India is comparatively higher than other countries like Bangladesh and Vietnam.
- Disruption in supply chain on account of pandemic.

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.

Further to all this, inspite of progressive recovery of the spinning mills during the second half of the financial year 2020-21, the third wave of Covid-19 Pandemic is likely to impact the exports and domestic demand of the entire textile industry.



**F) Internal control systems and their adequacy:**

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.

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.

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. 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. 4,837.31 Lakhs as against Rs. 5,285.50 Lakhs in the previous year. The loss incurred by the Company for the financial year 2020-21 has been Rs. 88.84 Lakhs against loss of Rs. 417.71 Lakhs for the financial year 2019-20.

- **Consolidated Financial Performance**

During the year under review, the Company along with its subsidiaries achieved a total consolidated revenue of Rs. 5,786.87 Lakhs for the year ended March 31, 2021, as against Rs. 6,291.14 Lakhs for the previous year ended March 31, 2020. The consolidated loss after tax for the year under review has been Rs. 244.34 Lakhs as against consolidated loss after tax of Rs. 510.24 Lakhs for the previous year.

**H) Material developments in Human Resources / Industrial Relations:**

The Company, after receiving an exemption under the provisions of The Employees Provident Funds and Miscellaneous Provisions Act, 1952 ("the Act") has been running an Employee Provident Fund Trust (in the name of "The Indian Card Clothing Co. Ltd. Employees Provident Fund Trust") as an exempted establishment.

During the financial year 2020-21, the Company completed all the formalities related to surrender of this exemption back to the government.

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

Particulars	2020-21	2019-20	Remarks
Debtors Turnover Ratio	89 days	87 days	The Sales have decreased by 5% while the decrease in debtors is 2.5% as compared to last year. This has resulted increase in number of days of receivables.
Inventory (FG) Turnover Ratio	7 days	19 days	Better utilisation of FG Inventory has helped in reduction in FG Inventory Turnover.
Interest Coverage Ratio	0.89 times	(0.14) times	The reduction is due to reduction in losses by Rs. 190 Lakhs.
Current Ratio	3.81 times	1.75 times	Increase in cash & cash equivalents /Bank balance and decrease in bank borrowing has improved the current ratio by 2.04.
Debt Equity Ratio	0.30 times	0.19 times	Increase in Long term borrowing by Rs. 1,003 Lacs on account of ECB Loan and increase in Equity & reserves 1,369 Lacs has reduced debt equity ratio by 0.10 times.
Operating Profit Margin (%)	52.45%	47.61%	Decrease in material cost by approx. 7% and reduction in operating overheads has resulted in increase in Operating Profit Margin.
Net Profit Margin (%)	-0.38%	-5.98%	Decrease in material cost, reduction in Other Expenses by 540 Lacs & Finance cost by 107 Lacs 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 2019-20 was -7.08% as against -1.22% for the financial year under review. Decrease in material cost Rs. 337.32 Lakhs and reduction in other expenses by Rs. 540.12 Lakhs has resulted in improvement in return on network.

**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.

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## 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, 2021, 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 202-21, seven (7) meetings of the Board of Directors of your Company were held. They were held on: June 26, 2020, August 17, 2020, September 14, 2020, September 28, 2020, October 8, 2020, November 11, 2020 and February 5, 2021.

**c) Director's 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 2020-21, alongwith the details in respect of Directorships and Committee positions of each director in other public limited companies where they are members/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)	7	Yes	-	-	-	Son of Mr. Kunjbihari Trivedi and Brother of Mr. Mehul Trivedi
Mr. Mehul Trivedi (DIN: 00030481)	Non-Executive Non-Independent (Promoter Group)	7	Yes	1	1	-	Son of Mr. Kunjbihari Trivedi and Brother of Mr. Prashant Trivedi
Mr. Sanjeevkumar Karkamkar (DIN: 00575970)	Non-Executive Non-Independent	7	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	-	-
Mr. Darshan Bhatia (DIN: 08257246)	Independent	5	Yes	0	-	-	-

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](http://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, 2021. 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, 2021, is included in the certificate issued by the Chief Executive Officer and the Chief Financial Officer on the financial statements and other matters of the Company for the financial year ended March 31, 2021, 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 are Independent Directors.

During the year under review five(5) meetings of the Audit Committee were held, viz., June 26, 2020, September 14, 2020, September 28, 2020, November 11, 2020, February 5, 2021.

The composition of the Audit Committee as on March 31, 2021 and attendance of members in the meetings held during the financial year 2020-21 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 one (1) meeting of the Nomination & Remuneration Committee was held on September 28, 2020.

The composition of the Nomination & Remuneration Committee as on March 31, 2021 and attendance of members in the meetings held during the financial year 2020-21 is as under:

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

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 *inter alia* 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 September 28, 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 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 2020-21 are as under:

(Rs. 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	2.10	3.90	3.85	3.60	1.50	2.25	2.30	19.50
• Commission	-	-	-	-	-	-	-	-
• Others – Consultancy Fee	-	-	-	-	-	-	15.00	15.00
Total Managerial Remuneration	2.10	3.90	3.85	3.60	1.50	2.25	17.30	34.50
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 February 5, 2021.

The composition of the Committee as on March 31, 2021 and attendance of members in the meetings held during the financial year 2020-21 are as under:

<b>Name of the Member</b>	<b>No. of meetings attended</b>
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 2020-21 together with the status on its disposal is given below:

<b>Shareholders' complaints received during the quarter ended</b>	<b>No. of complaints received</b>	<b>No. of complaints disposed-off during the quarter</b>	<b>Balance complaints</b>
June 30, 2020	0	0	0
September 30, 2020	0	0	0
December 31, 2020	0	0	0
March 31, 2021	0	0	0

There were no pending share transfers and complaints as on March 31, 2021.

#### **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 committee meeting:**

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

<b>Name of the Member</b>	<b>Designation</b>
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 2020-21 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, 2021 and attendance of members in the meeting held during the financial year 2020-21 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 2020-2021.

**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 5, 2021, without the attendance of Non-Independent Directors and the members of the management, *inter alia*, 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 2020-21, the Company prepared and pursued the Familiarization Programme for Independent Directors as hosted on Company's website at:

<https://cardindia.com/wp-content/uploads/2021/06/Details-of-Familiarisation-Programme-imparted-to-Independent-Directors-during-the-year-2020-21.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 67<sup>th</sup> 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/wp-content/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 2020-21 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 Chief Financial Officer of the Company, on the Financial Statements and other matters of the Company for the financial year ended March 31, 2021, is provided as **Attachment – I** to this Report on Corporate Governance.

**13) MEANS OF COMMUNICATION:**

The Company's corporate website [www.cardindia.com](http://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](http://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](http://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 2020-21 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) Issue of Equity Shares on preferential & private placement basis:**

During the year Company, raised Rs. 14,59,50,000 (Rupees Fourteen Crores Fifty-Nine Lakh Fifty Thousand) through preferential issue by allotting 13,90,000 fully paid-up equity shares of face value of Rs. 10/- at an issue price of Rs. 105/- [including a premium of Rs. 95/-] per equity share, to Multi-Act Industrial Enterprises Limited ("MAIEL"), Mauritius, the holding Company belonging to promoter category of the Company.

Due to impact of Covid-19 Pandemic and difficult business condition faced during the year under review, the proceeds of Preferential Issue could not utilized. Therefore, the proceeds of the Preferential Issue have currently been parked in fixed deposit with Scheduled Bank.

**16) 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:

<b>Financial Year</b>	<b>Date and Time</b>	<b>Venue</b>	<b>Special Resolutions passed</b>
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"> <li>• Re-appointment as an Independent Director of Dr. Sangita Pandit for a second term of 5 (five) consecutive years.</li> <li>• Re-appointment as an Independent Director of Mr. Sudhir Merchant for a second term of 5(five) consecutive years.</li> <li>• Appointment of Mr. Alok Misra as "Manager" of the Company designated as "Chief Executive Officer" for a period of 3 (three) years.</li> </ul>
2019-20	September 24, 2020, at 10:30 a.m	Through two-way video conferencing (VC) facility / Other Audio Visual Means (OAVM) from the Registered office of the Company.	<ul style="list-style-type: none"> <li>• Adoption of new set of Articles of Association in place of existing Articles of Association.</li> <li>• Approval to the long-term capital-raising proposal by way of Preferential Issue of equity shares of the Company to Multi-Act Industrial Enterprises Limited, Mauritius, Promoters of the Company.</li> </ul>

**b) During the financial year under review, no resolutions have been passed by postal ballot.**

**c) AGM Information and Financial Year:**

Day, Date and Time of AGM	: Tuesday, September 28, 2021, at 12.00 noon
Venue	: Registered office of the Company at "Katariya Capital", A-19, Vidyut Nagar Society, Lane No. 5, Koregaon Park, Pune – 411001, Maharashtra, India through video conferencing (VC) / Other Audio Visual Means (OAVM).
Financial Year	: April 1, 2020 to March 31, 2021
Date of Book Closure	: September 22, 2021 to September 28, 2021 (Both days inclusive)

**d) 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.

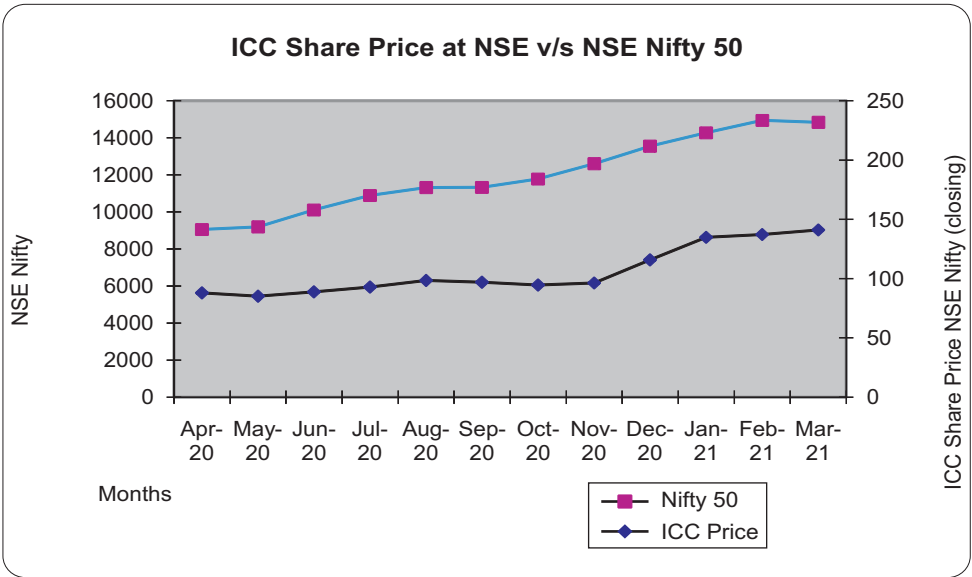
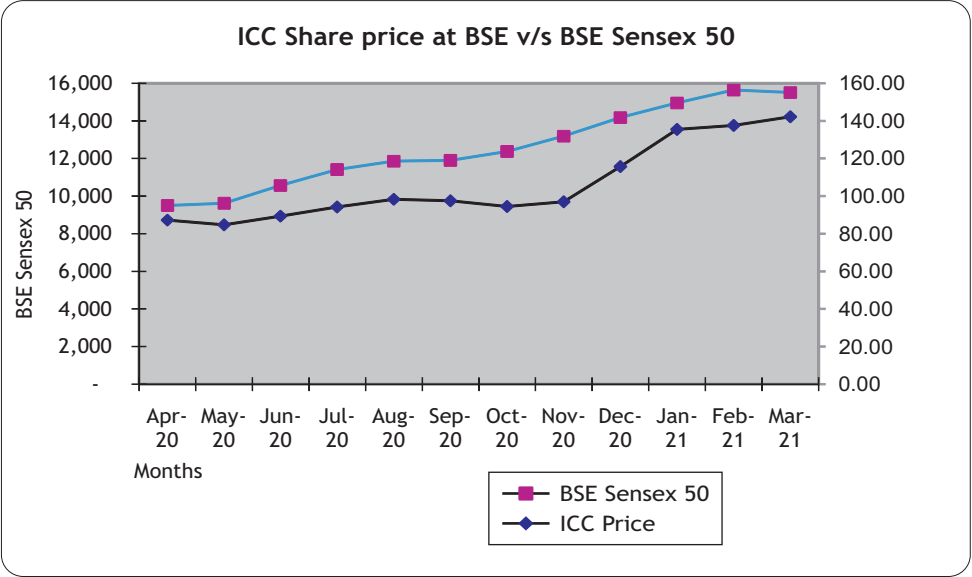
**e) Market Price Data:**

The monthly high and low quotations and volume of shares traded on BSE and NSE from April 1, 2020 upto March 31, 2021, is as follows:

Month	BSE		NSE	
	High (Rs.)	Low (Rs.)	High (Rs.)	Low (Rs.)
April 2020	97.25	81.40	97.75	81.35
May 2020	93.95	78.80	93.95	79.00
June 2020	106.00	75.15	97.05	81.80
July 2020	107.85	85.20	108.00	86.15
August 2020	131.40	91.00	133.70	88.65
September 2020	102.00	92.45	104.00	91.35
October 2020	104.95	92.05	99.90	90.00
November 2020	114.20	92.65	104.95	93.25
December 2020	138.00	97.00	145.00	96.00
January 2021	155.00	122.65	155.50	118.00
February 2021	150.00	129.95	159.95	128.90
March 2021	153.95	132.20	160.00	125.30

f) **Share performance:**

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



**g) 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,  
Financial District, Nanakramguda,  
Serilingampally,  
Hyderabad – 500032.  
Tel. : +91-40-67162222  
Fax. : +91-40-23420814  
E-mail: [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com)

**h) 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.

It was clarified that transfer deeds lodged prior to deadline of April 01, 2019 and rejected / returned due to deficiency in the documents may be re-lodged with requisite documents and SEBI, vide circular no. SEBI/HO/MIRSD/RTAMB/CIR/P/2020/166 dated September 07, 2020, has fixed March 31, 2021 as the cut-off date for re-lodgment of transfer requests and has stipulated that such transferred shares shall be issued only in demat mode.

Further, SEBI, vide circular no. SEBI/HO/MIRSD/RTAMB/CIR/P/2020/236 dated December 02, 2020 has also issued operational guidelines for Transfer and Dematerialization of re-lodged physical shares.



i) **Shareholding pattern as on March 31, 2021:**

Category	Number of shares	Percentage (%)
Promoter and Promoter Group	40,00,166	67.33
Resident Individuals	16,64,529	28.02
Bodies Corporates	1,38,149	2.33
HUF	89,853	1.51
Non-Resident Indians	2,894	0.05
Clearing Members	1,303	0.02
Non-Resident Indian Non-Repatriable	8,684	0.15
Financial Institutions	1,782	0.03
Trusts	50	0.00
Banks	175	0.00
IEPF	33,535	0.68
<b>TOTAL</b>	<b>59,41,120</b>	<b>100.00</b>

j) **Distribution of shareholding as on March 31, 2021:**

Category (Amount in Rs.)	No. of shareholders	Total holding in shares	Percentage of total shares (%)	Percentage of total holders (%)
1 – 5,000	7,621	6,11,529	10.29	94.45
5,001 – 10,000	219	1,69,924	2.86	2.71
10,001 – 20,000	108	1,61,730	2.72	1.34
20,001 – 30,000	40	1,00,053	1.68	0.50
30,001 – 40,000	22	77,567	1.31	0.27
40,001 – 50,000	16	74,842	1.26	0.20
50,001 – 1,00,000	26	1,89,810	3.19	0.32
1,00,001 & above	17	45,55,665	76.68	0.21
<b>TOTAL</b>	<b>8,069</b>	<b>59,41,120</b>	<b>100.00</b>	<b>100.00</b>

k) **Dematerialization of shares and liquidity:**

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

58,40,457 (98.31%) number of shares are in the dematerialized form as on March 31, 2021.

l) **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.

m) **Plant Locations:**

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

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

The current financial year covers the period from April 1, 2021 to March 31, 2022 and the calendar of the Company relating to future immediate reporting is given below:

Quarter ending June 30, 2021	Upto August 14, 2021
Half year ending September 30, 2021	Upto November 14, 2021
Quarter ending December 31, 2021	Upto February 14, 2022
Year ending March 31, 2022	Upto May 30, 2022
Annual General Meeting for the year ended March 31, 2022	Upto September 30, 2022

**o) Details of unpaid or unclaimed dividend as on March 31, 2021:**

Sr. No.	Year	Balance (Rs. Lakh)	Date of completion of 7 years*
1	For the financial year 2013-14	2.34	September 3, 2021
2	For the financial year 2014-15	1.86	September 10, 2022
3	For the financial year 2015-16 (Interim)	8.64	June 23, 2023
4	For the financial year 2015-16 (Final)	1.92	September 15, 2023
5	For the financial year 2016-17 (Interim)	7.16	September 15, 2023
6	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. 2,37,829/- pertaining to the financial year ended on 31<sup>st</sup> March 2013, lying with the Company for a period of seven years were transferred during the financial year 2020-21, 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](http://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, 2,514 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 2020-2021. 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, 2014 which remains unclaimed for a period of seven years, becomes due for transfer on September 3, 2021 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.

**p) Disclosure with respect to demat suspense account / unclaimed suspense account:**

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

**q) 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.

- r) 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.

- s) 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**.

- t) 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	9,00,000
ICC International Agencies Ltd.	Audit Fees and other services availed including tax audit	1,00,000
	<b>TOTAL</b>	<b>10,00,000</b>

**u) 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 15, 2021

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, 2021 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, 2021.
- 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**  
Chief Financial Officer

**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 31<sup>st</sup> March 2021 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	00575970	Mr. Sanjeevkumar Walchand Karkamkar	Director	29/07/2018
7	08257246	Mr. Darshan Bhatia Vijaysinh	Director	30/10/2018

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 PR No. 1164/2021

Date : 24/06/2021  
Place : Pune  
UDIN : F006099C000506599

**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 31<sup>st</sup> March, 2021, 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**

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**Devendra Deshpande**  
Proprietor  
FCS No. 6099CP No. 6515 PR No. 1164/2021

**Date : 24/06/2021**  
**Place : Pune**  
**UDIN : F006099C000506599**

**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, 2021, 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, 2021, 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. 994.94 Lakhs which constitutes about 9.17% of total assets of the company. During the year fair valuation gain is Rs. 124.15 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 2021.
- b) In respect of investments in mutual funds, which are fair valued through profit or loss, fair value for the same is verified from statement of NAV from mutual funds.
- 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 2021, are Rs. 1,055.79 Lakhs and impairment provision against the same is Rs. 67.90 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, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 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, 2021 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 P G BHAGWAT LLP**

Chartered Accountants

Firm Registration Number: 101118W/W100682

**Sandeep Rao**

Partner

Membership Number: 047235

UDIN: 21047235AAAADH3285

Pune : 24th June 2021

**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 Property, Plant & Equipment 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 granted loan of Rs. 28 Lakhs to a party, covered in the register maintained under Section 189 of the Act.
  - (a) In our opinion the terms and condition of such loan granted are not prejudicial to the interest of the company.
  - (b) As per schedule of stipulated repayment, no repayment is due up to 31st March 2021
  - (c) As per para (b), no amount is overdue.
- iv. In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Companies Act, 2013 in respect of the loans and investments made, and guarantees and security provided by it, wherever applicable.
- v. The Company has not accepted any deposits from public within the meaning of Sections 73, 74, 75 and 76 or any other relevant provisions of the Act and the Rules framed there under to the extent notified. According to the information and explanations given to us, no order has been passed by the 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. We have broadly reviewed the same, and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed 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 regular in depositing the 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, 2021, 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 income-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 Sales taxes at balance sheet date 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	0.31	Various Years	As per CPC.
Entry Tax	Octroi Audit due payable	0.18	FY 1996 -97	Octroi Department
CST Act 1956	CST payable as per assessment order.	164.12	FY 2016 -17	Dy Commissioner Sales Tax.

- 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 any debentures 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 such case by the Management.
- 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. Refer Note No.32.
- xiv. The Company has made preferential allotment or private placement of equity shares during the year under review. The requirement of section 42 of the Companies Act 2013 have been complied with in respect of the preferential allotment and as informed to us the proceeds of preferential allotment are being utilised for the purpose for which the same were raised. Pending utilisation, the said amount is maintained in the bank accounts.
- xv. The Company has not entered into any non-cash transactions with its directors or persons connected with him. 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 **P G BHAGWAT LLP**

Chartered Accountants

Firm's Registration Number: 101118W/ W100682

**Sandeep Rao**

Partner

Membership Number: 47235

UDIN: 21047235AAAADH3285

Pune: 24th June 2021

**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 reporting of **The India Card Clothing Company Limited** ("the Company") as of March 31, 2021 in conjunction with our audit of the Standalone 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 Act.

**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 Standalone 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 Statements**

A company's internal financial control over financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Standalone Financial Statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial statements 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 Standalone 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 Standalone 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 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 2021, 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 **P G BHAGWAT LLP**

Chartered Accountants

Firm's Registration Number: 101118W/W100682

**Sandeep Rao**

Partner

Membership Number: 47235

UDIN: 21047235AAAADH3285

Pune: 24th June 2021

STANDALONE BALANCE SHEET AS AT 31<sup>ST</sup> MARCH 2021

(Rs. in Lakh)

Particulars	Notes	As At 31st March 2021	As At 31st March 2020
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Property, plant and equipment	2(a)	4,052.00	3,073.84
Other intangible assets	2(a)	-	0.25
Right-Of-Use Assets	2(b)	4.90	34.25
Capital work-in-progress	3	35.59	61.04
Financial assets			
i. Investments	4	217.91	683.31
ii. Loans	5(a)	52.71	90.61
Other Non current assets	6	674.05	823.17
Current Tax Assets (Net)		103.06	156.09
Deferred tax assets (net)	7	302.39	375.34
<b>Total Non-Current Assets</b>		<b>5,442.61</b>	<b>5,297.90</b>
<b>Current assets</b>			
Inventories	8	837.35	987.17
Financial assets			
i. Investments	9	777.03	993.44
ii. Trade receivables	10	987.88	1,013.41
iii. Cash and cash equivalents	11a	1,831.62	510.72
iv. Other Bank Balances	11b	655.74	166.45
v. Other financial assets	12	41.23	7.98
Other current assets	13	271.99	344.80
<b>Total Current Assets</b>		<b>5,402.84</b>	<b>4,023.97</b>
<b>Total Assets</b>		<b>10,845.45</b>	<b>9,321.87</b>

As per our report attached

**P G BHAGWAT LLP**  
Chartered Accountants  
FRN-101118W/W100682

**Mehul Trivedi**  
Director  
(DIN: 00030481)

**SanjeevKumar Karkamkar**  
Director  
(DIN: 00575970)

**SANDEEP RAO**  
Partner  
Membership No. : 047235

**Alok Misra**  
Chief Executive Officer

**Chandrakant Patil**  
Chief Financial Officer

**Amogh Barve**  
Company Secretary

Date : 24<sup>th</sup> June 2021  
Place : Pune

# THE INDIAN CARD CLOTHING COMPANY LIMITED

## STANDALONE BALANCE SHEET AS AT 31<sup>ST</sup> MARCH 2021

(Rs. in Lakh)

Particulars	Notes	As At 31st March 2021	As At 31st March 2020
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity share capital	14	594.11	455.11
Other equity	15	6,676.10	5,446.26
<b>Total Equity</b>		<b>7,270.21</b>	<b>5,901.37</b>
<b>LIABILITIES</b>			
<b>Non-Current Liabilities</b>			
Financial Liabilities			
i. Borrowings	16 (a)	1,836.13	764.07
ii. Other financial liabilities	17	181.90	169.00
Provisions (Non - Current)	18	121.83	167.93
Other Liabilities	19	18.20	23.06
<b>Total Non-Current Liabilities</b>		<b>2,158.06</b>	<b>1,124.06</b>
<b>Current liabilities</b>			
Financial liabilities			
i. Borrowings	16 (b)	323.35	978.99
ii. Trade payables	20		
- Trade Payables - Total outstanding dues of micro enterprises and small enterprises.		64.17	126.56
- Trade Payables - Total outstanding dues of creditors other than micro enterprises and small enterprises.		637.97	719.19
iii. Other financial liabilities	17	121.71	173.35
Provisions (Current)	18	25.64	28.94
Other current liabilities	21	244.34	269.41
<b>Total Current Liabilities</b>		<b>1,417.19</b>	<b>2,296.44</b>
<b>Total Liabilities</b>		<b>3,575.24</b>	<b>3,420.50</b>
<b>Total Equity and Liabilities</b>		<b>10,845.45</b>	<b>9,321.87</b>
<b>Summary of significant accounting policies</b>	<b>1</b>		
<b>The accompanying notes are integral part of the Financial Statements</b>	<b>1 - 42</b>		

As per our report attached

**P G BHAGWAT LLP**  
Chartered Accountants  
FRN-101118W/W100682

**Mehul Trivedi**  
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Chief Executive Officer

**Chandrakant Patil**  
Chief Financial Officer

**Amogh Barve**  
Company Secretary

Date : 24<sup>th</sup> June 2021  
Place : Pune



STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE PERIOD ENDED 31<sup>ST</sup> MARCH 2021

(Rs. in Lakh)

Particulars	Notes	As At 31st March 2021	As At 31st March 2020
<b>Continuing operations</b>			
Revenue from operations	22	4,530.85	5,128.04
Other income	23	306.46	157.46
<b>Total income</b>		<b>4,837.31</b>	<b>5,285.50</b>
<b>Expenses</b>			
Cost of materials consumed		1,191.83	1,767.99
Purchases of stock-in-trade		81.39	76.37
Changes in inventories of work-in-progress, stock-in-trade and finished goods	24	186.37	(47.46)
Employee benefit expense	25	1,196.84	1,251.51
Depreciation and amortisation expense	26	387.06	395.34
Other expenses	27	1,663.94	2,204.06
Finance costs	28	171.03	278.26
<b>Total expenses</b>		<b>4,878.46</b>	<b>5,926.08</b>
<b>Profit/(Loss) before exceptional items and Tax</b>		<b>(41.15)</b>	<b>(640.58)</b>
Exceptional items			
Profit on sale of Assets	34	22.62	324.28
<b>Profit/(Loss) before tax from continuing operations</b>		<b>(18.53)</b>	<b>(316.30)</b>
Income tax expense			
- Current tax		-	0.29
- Deferred tax		70.31	101.12
<b>Total tax expense</b>		<b>70.31</b>	<b>101.41</b>
<b>Profit/(Loss) from continuing operations</b>		<b>(88.84)</b>	<b>(417.71)</b>
<b>Discontinued operations</b>			
Profit from discontinued operation before tax			
Tax expense of discontinued operations			
<b>Profit/(Loss) from discontinued operation</b>			
<b>Profit/(Loss) for the year</b>		<b>(88.84)</b>	<b>(417.71)</b>

Particulars	Notes	As At 31st March 2021	Year ended 31 March 2020
<b>Other comprehensive income</b>			
Items that will not be reclassified to profit or loss			
Actuarial Gain / (Loss)		10.15	(15.18)
Income tax relating to these items		(2.64)	3.95
<b>Total comprehensive income for the year</b>		<b>(81.33)</b>	<b>(428.94)</b>
<b>Earnings per equity share (Nominal Value per Share INR`10)</b>			
Basic & Diluted		(1.70)	(9.18)

As per our report attached

**P G BHAGWAT LLP**  
Chartered Accountants  
FRN-101118W/W100682

**Mehul Trivedi**  
Director  
(DIN: 00030481)

**Sanjeev Kumar Karkamkar**  
Director  
(DIN: 00575970)

**SANDEEP RAO**  
Partner  
Membership No. : 047235

**Alok Misra**  
Chief Executive Officer

**Chandrakant Patil**  
Chief Financial Officer

**Amogh Barve**  
Company Secretary

Date : 24<sup>th</sup> June 2021  
Place : Pune

# THE INDIAN CARD CLOTHING COMPANY LIMITED

## AUDITED STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2021

(Rs. in Lakh)

	Particulars	31-Mar-21	31-Mar-20
<b>A.</b>	<b>Cash flow from operating activities</b>		
	<b>Net profit before tax</b>	<b>(18.53)</b>	<b>(316.30)</b>
	Adjustment s for:		
	Loss / (profit) on sale of property, plant and equipment	(22.62)	(324.28)
	Bad Debts / Provision for doubtful debts and advances and write back	(16.95)	8.24
	Excess provision / creditors written back (including advances)	(36.68)	(5.72)
	Unrealised foreign exchange (gain) / loss (net)	14.98	43.09
	Loss from Sale of Investment	-	5.09
	Depreciation and amortisation	387.06	395.34
	Interest earned	(70.37)	(75.88)
	Unrealised (gain) / loss on mutual fund investments	(124.15)	(54.16)
	Net gain / ( loss ) on sale of investments	(13.49)	-
	Dividend from mutual fund investments	(5.99)	(19.43)
	Income from Mutual fund Investment	(10.53)	
	Interest charged	171.03	278.26
	<b>Operating profit before working capital changes</b>	<b>253.77</b>	<b>(65.74)</b>
	Changes in working capital		
	(Increase) /decrease in trade receivables	40.28	(121.88)
	(Increase)/decrease in inventories	149.81	340.89
	(Increase)/decrease in non-current loans	25.45	15.33
	(Increase)/decrease in other non-current assets	1.40	5.23
	(Increase)/d ecrease in non-current financial assets -others	-	0.96
	(Increase)/decrease in current financial assets -others	(30.39)	1.25
	(Increase)/decrease in other current assets and other Bank balances	(416.47)	(33.25)
	Increase/(decrease) in other non current financial liabilities	27.63	(698.89)
	Increase/(decrease) in trade payables	(123.99)	(126.77)
	Increase/(decrease) in other current financial liabilities	(49.91)	(34.18)
	Increase/(decrease) in other non current liabilities	(4.86)	(1.36)
	Increase/(decre ase) in other current liabilities	(25.09)	(258.03)
	Increase/(decrease) in long term provisions	(46.10)	(40.19)
	Increase/(decrease) in short term provisions	6.85	8.15
	<b>Cash generated from operations</b>	<b>(191.61)</b>	<b>(1,008.48)</b>
	Direct taxes paid (including taxes deducted at source), net of refunds	53.03	(59.14)
	<b>NET CASH FROM OPERATING ACTIVITIES</b>	<b>(138.58)</b>	<b>(1,067.62)</b>
<b>B.</b>	<b>Cash flow from investing activities</b>		
	Purchase of property, plant and equipment and intangible assets	(1,165.86)	(367.36)
	Net addition to investments	819.45	1,240.69
	Proceeds from sale of property, plant and equipment	26.03	335.41
	Interest received on investments	67.52	93.03
	Dividend received on investments	5.99	19.43
	Income received from Mutual fund Investment	10.53	
	<b>NET CASH FROM / (USED) IN INVESTING ACTIVITIES</b>	<b>(236.34)</b>	<b>1,321.20</b>
<b>C.</b>	<b>Cash flow from financing activities</b>		
	Proceeds from issuance of share capital (Net of expenses)	1,450.16	0
	Increase / (Decrease) in Long term borrowings	1,080.04	424.72
	Increase / (Decrease ) in borrowings	(655.64)	6.12
	Payment Against Right to use	(30.89)	(25.00)
	Interest on Lease Liability	(2.39)	(5.25)
	Dividend paid including dividend distribution tax	(2.37)	(2.40)
	Interest paid	(143.10)	(261.15)
	<b>NET CASH FROM / (USED) IN FINANCING ACTIVITIES</b>	<b>1,695.81</b>	<b>137.04</b>
	<b>Net increase/(decrease) in cash and cash equivalents (A+B+C)</b>	<b>1,320.90</b>	<b>390.62</b>
	<b>Cash and cash equivalents at the beginning of the period (Refer Note 11)</b>	<b>510.72</b>	<b>120.10</b>
	<b>Cash and cash less cash credit at the end of the period (Refer Note 11)</b>	<b>1,831.62</b>	<b>510.72</b>

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

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Partner  
Membership No. : 047235

**Alok Misra**  
Chief Executive Officer

**Chandrakant Patil**  
Chief Financial Officer

**Amogh Barve**  
Company Secretary

Date : 24<sup>th</sup> June 2021  
Place : Pune

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2021

## A. Equity Share Capital

(Rs. in Lakh)

Particulars	31-Mar-21	31-Mar-20
Balance at the beginning of the year	455.11	455.11
Changes in equity share capital during the year	139.00	-
Balance at the end of the year	594.11	455.11

## B. Other Equity

Particulars	Securities Premium Reserve	General Reserve	Retained Earnings	Other Comprehensive Income	Total
<b>Balance as on 1st April 2019</b>	<b>910.22</b>	<b>1,644.49</b>	<b>3,425.11</b>	<b>(104.62)</b>	<b>5,875.20</b>
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)
<b>Total</b>	<b>910.22</b>	<b>1,644.49</b>	<b>3,007.40</b>	<b>(115.85)</b>	<b>5,446.26</b>
<b>Transactions with owners in their capacity as owners:</b>					
Issue of equity shares, net of transaction costs	-	-	-	-	-
Dividends paid	-	-	-	-	-
<b>Balance at 31 March 2020</b>	<b>910.22</b>	<b>1,644.49</b>	<b>3,007.40</b>	<b>(115.85)</b>	<b>5,446.26</b>
Profit for the year	-	-	(88.84)	-	(88.84)
Dividends paid	-	-	-	-	-
Other deductions / write backs/ adjustments	-	-	-	-	-
Remeasurement of post-employment benefit obligations, net of tax	-	-	-	7.51	7.51
<b>Total</b>	<b>910.22</b>	<b>1,644.49</b>	<b>2,918.56</b>	<b>(108.34)</b>	<b>5,364.93</b>
<b>Transactions with owners in their capacity as owners:</b>					
Issue of equity shares, net of transaction costs	1,311.16	-	-	-	1,311.16
Dividends paid	-	-	-	-	-
<b>Balance at 31 March 2021</b>	<b>2,221.39</b>	<b>1,644.49</b>	<b>2,918.56</b>	<b>(108.34)</b>	<b>6,676.10</b>

As per our report attached

**P G BHAGWAT LLP**  
Chartered Accountants  
FRN-101118W/W100682

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**Chandrakant Patil**  
Chief Financial Officer

**Amogh Barve**  
Company Secretary

Date : 24<sup>th</sup> June 2021  
Place : Pune

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2021.**

**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 Bombay Stock Exchange 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 24th June 2021.

**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

Ind AS 115, Revenue from contracts with customers.

**iii. 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 40 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** - The Company, after receiving an exemption under the provisions of The Employees Provident Funds and Miscellaneous Provisions Act, 1952 ("the Act") had been running an Employee Provident Fund Trust (in the name of "The Indian Card Clothing Co. Ltd. Employees Provident Fund Trust") as an 'Exempted Establishment'. The rate at which the annual interest was payable to the beneficiaries by the trust was administered by the government. Being an exempted establishment, the Company had an obligation to make good the shortfall, if any, between the return from the investments of the trust and the notified interest rate.

After incurring consecutive losses on account of shortfall in returns on investments vis-à-vis the interest payment made to the beneficiaries, the Company made an application for surrendering the status of 'Exempted Establishment'. Subsequent to this application and after complying with all the compliances and formalities related to surrendering the status of Exempted Establishment, as per the directions of Provident Fund authorities effective from 1st November, 2020, the Company started reporting compliance as an un-exempted establishment. Accordingly, during the year under review, the provident fund balances of the employees as maintained with the Company's Trust as mentioned above have been transferred to government managed Provident Fund.

Subsequent to the surrender of exemption and transfer of entire provident fund balances of the employees to the government managed provident fund, the Company's contributions to the employees' provident fund are made in accordance with the provisions of the act as amended from time to time or such other statute as made applicable. The Company has now adopted a policy of charging Company's Contributions to provident fund of employees directly to its Statement of Profit and Loss by recognising it as an expenses in the year when the contributions to the provident fund of the employees fall due. Accordingly, Company's contribution to the provident fund of the employee is paid to the government managed provident fund immediately after the employee becomes entitled to receive Salary for the required service rendered by him. The employee's contribution to his own provident fund is deducted from his salary and paid by the Company to the government managed provident fund on behalf of the employee.

**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 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 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. Amendment to Ind AS 116, "Leases" - Covid-19-Related Rent Concessions beyond 30 June 2021 On 24 July 2020, the MCA issued the Companies (Indian Accounting Standard) Amendment Rules, 2020 which amended Ind AS 116 to provide relief for lessees in accounting for eligible rent concessions upto 31 July 2021 that are a direct consequence of COVID-19. The exposure draft on amendments to Ind AS 116 issued by the Institute of Chartered Accountants of India proposes amendments to extend the relief for lessees in accounting for eligible rent concessions upto 31 July 2022.
2. Amendment to Ind AS 116, "Leases" - Interest Rate Benchmark Reform: Phase 2 The exposure draft on amendments to Ind AS 116 issued by the Institute of Chartered Accountants of India proposes amendments to include a practical expedient in respect of all lease modifications that change the basis for determining future lease payments as a result of interest rate benchmark reform.
3. Amendments to Ind AS 37, "Provisions, Contingent Liabilities and Contingent Assets" – Onerous Contracts The exposure draft on amendments to Ind AS 37 issued by the Institute of Chartered Accountants of India proposes amendments regarding costs a company should include as the cost of fulfilling a contract when assessing whether a contract is onerous.
4. Amendments to Ind AS 16, "Property, Plant and Equipment" – Proceeds before Intended Use The exposure draft on amendments to Ind AS 16 issued by the Institute of Chartered Accountants of India proposes amendments regarding proceeds from selling items produced while bringing an asset into the location and condition necessary for it to be capable of operating in the manner intended by management.
5. Amendments to Ind AS 103, "Business Combinations" – Reference to the Conceptual Framework The exposure draft on amendments to Ind AS 103 issued by the Institute of Chartered Accountants of India proposes amendments to change out updated reference to "Framework for the Preparation and Presentation of Financial Statements in accordance with Indian Accounting Standards" and update it with reference to "Conceptual Framework for Financial Reporting under Indian Accounting Standards". It also proposes certain consequential amendments.
6. Amendments to 101, "First-time Adoption of Indian Accounting Standards" – Subsidiary as a First-time Adopter The exposure draft on amendments to Ind AS 101 issued by the Institute of Chartered Accountants of India proposes amendments to simplify the application of Ind AS 101 by a subsidiary that becomes a first-time adopter after its parent in relation to the measurement of cumulative translation differences.
7. Amendments to 41, "Agriculture" – Taxation in Fair Value Measurements The exposure draft on amendments to Ind AS 41 issued by the Institute of Chartered Accountants of India proposes amendments to remove a requirement to exclude cash flows from taxation when measuring fair value thereby aligning the fair value measurement requirements in Ind AS 41 with those in other Ind AS's.
8. Amendments to Ind AS 109, "Financial Instruments" and Ind AS 107, "Financial Instruments: Disclosures" - Interest Rate Benchmark Reform: Phase 2 The exposure draft on amendments to Ind AS 109 and Ind AS 107 issued by the Institute of Chartered Accountants of India proposes amendments to assist entities in providing useful information about the effects of the transition to alternative benchmark rates and support preparers in applying the requirements of Ind AS's when changes are made to contractual cash flows or hedging relationships as a result of the transition to an alternative benchmark interest rate.
9. New Indian Accounting Standard (Ind AS) 117, Insurance Contracts The exposure draft of Ind AS 117 is issued by the Institute of Chartered Accountants of India as replacement for Ind AS 104 Insurance Contracts.

The above exposure drafts have not been notified by the Ministry of Corporate Affairs ('MCA') to be applicable from 1 April, 2021 as at the date of approval of these financial statements. On issue of the amendment by MCA, the Company would evaluate the impact of the change in the standalone financial statements.

## Note 2 (a) : Property, Plant &amp; 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
<b>Net carrying amount at 31 March 2019</b>	<b>807.97</b>	<b>1,430.73</b>	<b>966.86</b>	<b>0.93</b>	<b>17.05</b>	<b>13.89</b>	<b>31.04</b>	<b>3,268.47</b>	<b>3.12</b>	<b>3,271.59</b>
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)
<b>Closing gross carrying amount at 31 MAR 2020</b>	<b>807.97</b>	<b>3,886.34</b>	<b>4,939.62</b>	<b>154.36</b>	<b>193.13</b>	<b>513.14</b>	<b>571.13</b>	<b>11,065.70</b>	<b>41.57</b>	<b>11,107.27</b>
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)
<b>Closing accumulated depreciation &amp; impairment at 31 Mar 2020</b>	<b>-</b>	<b>2,579.87</b>	<b>4,123.31</b>	<b>127.81</b>	<b>182.82</b>	<b>432.10</b>	<b>545.94</b>	<b>7,991.86</b>	<b>41.32</b>	<b>8,033.19</b>
<b>Net carrying amount at 31 Mar 2020</b>	<b>807.97</b>	<b>1,306.47</b>	<b>816.30</b>	<b>26.55</b>	<b>10.31</b>	<b>81.04</b>	<b>25.19</b>	<b>3,073.84</b>	<b>0.25</b>	<b>3,074.08</b>
Opening gross carrying amount	807.97	3,886.34	4,939.62	154.36	193.13	513.14	571.13	11,065.70	41.57	11,107.27
Exchange differences	-	-	-	-	-	-	-	-	-	-
Additions	329.79	791.56	141.90	6.93	41.51	10.84	16.49	1,339.03	-	1,339.03
Disposal/ Other Adjustment	-	-	(56.94)	(0.02)	(162.51)	(3.02)	-	(222.49)	-	(222.49)
Asset held for disposal	-	-	-	-	-	-	-	-	-	-
<b>Closing gross carrying amount at 31 Mar 2021</b>	<b>1,137.76</b>	<b>4,677.91</b>	<b>5,024.57</b>	<b>161.27</b>	<b>72.13</b>	<b>520.97</b>	<b>587.63</b>	<b>12,182.24</b>	<b>41.57</b>	<b>12,223.81</b>
Opening accumulated depreciation	-	2,579.87	4,123.31	127.81	182.82	432.10	545.94	7,991.86	41.32	8,033.19
Depreciation charge during the year	-	126.71	166.29	8.55	9.30	38.36	8.24	357.46	0.25	357.71
Disposals	-	-	(55.58)	(0.02)	(160.46)	(3.02)	-	(219.08)	-	(219.08)
Asset held for disposal	-	-	-	-	-	-	-	-	-	-
Exchange differences	-	-	-	-	-	-	-	-	-	-
<b>Closing accumulated depreciation and impairment at 31 Mar 2021</b>	<b>-</b>	<b>2,706.58</b>	<b>4,234.02</b>	<b>136.34</b>	<b>31.66</b>	<b>467.45</b>	<b>554.19</b>	<b>8,130.24</b>	<b>41.57</b>	<b>8,171.81</b>
<b>Net carrying amount at 31 Mar 2021</b>	<b>1,137.76</b>	<b>1,971.33</b>	<b>790.55</b>	<b>24.93</b>	<b>40.47</b>	<b>53.52</b>	<b>33.44</b>	<b>4,052.00</b>	<b>-</b>	<b>4,052.00</b>

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 Loan (For details refer note no 16(a) & Land at Nalagarh HP is given as collateral security for Bank Overdraft. [For details refer note no 16(b)]

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

Particulars	31-Mar-21	31-Mar-20
Opening gross carrying amount	63.60	-
Exchange differences	-	-
Additions	-	63.60
Disposal/ Other Adjustment	-	(0.00)
Asset held for disposal	-	-
<b>Closing gross carrying amount</b>	<b>63.60</b>	<b>63.60</b>
Opening accumulated depreciation	29.35	-
Depreciation charge during the year	29.35	29.35
Disposals	-	-
Asset held for disposal	-	-
Exchange differences	-	-
<b>Closing accumulated depreciation and impairment</b>	<b>58.70</b>	<b>29.35</b>
<b>Net carrying amount</b>	<b>4.90</b>	<b>34.25</b>

**Note 3: Capital Work in Progress**

Particulars	31-Mar-21	31-Mar-20
Opening balance	61.04	25.10
Additions during the year	10.22	35.94
Capitalised during the year	35.67	-
Retirement during the year	-	-
<b>Net carrying amount</b>	<b>35.59</b>	<b>61.04</b>

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

**Note 4: Non - Current Investments**

Particulars	31-Mar-21	31-Mar-20
<b>Investment in equity oriented mutual Fund - FVPL</b>		
<b>Unquoted</b>		
Nil (31-Mar-2020 : 4,443) units of HDFC Venture Fund	-	0.11
<b>Investment in subsidiaries - Amortised cost</b>		
<b>Unquoted</b>		
2,10,000 (31 March 2020 : 2,10,000 ) shares of Garnett Wire Ltd (Face Value GBP 1 per share)- Partly Owned	136.39	136.39
10,00,000 (31 March 2020 : 5,00,000) shares of ICC International Agencies Ltd (Face Value Rs. 10 per share) Wholly Owned	81.28	31.28
940 (31 March 2020 : 940) shares of Shivraj Sugar & Allied Products Pvt Ltd (Face Value Rs. 100 per share) - Partly Owned	0.24	0.24
<b>Total (equity instruments)</b>	<b>217.91</b>	<b>168.02</b>
<b>Investment in Fixed Maturity Plans and Bonds - FVPL</b>		
<b>Quoted</b>		
Nil (31 March 2020 : 50) units of NHAI Tax Free Bonds (Face Value Rs. 10,00,000)	-	515.29
<b>Total (fixed maturity plans and bonds)</b>	<b>-</b>	<b>515.29</b>
<b>Total non current investments</b>	<b>217.91</b>	<b>683.31</b>
Aggregate amount of quoted investments and market value thereof	-	515.29
Aggregate amount of unquoted investments	217.91	168.02
Aggregate amount of impairment in the value of investments	-	-

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

Particulars	31-Mar-21	31-Mar-20
Unsecured, Considered Good Security deposits	52.71	90.61
<b>Total loans</b>	<b>52.71</b>	<b>90.61</b>

**Note 6: Other Non current Assets**

Particulars	31-Mar-21	31-Mar-20
Capital advances	672.45	820.17
Prepaid Expenses	1.60	3.00
<b>Total other Non current assets</b>	<b>674.05</b>	<b>823.17</b>

**Note 7 : Deferred Tax Assets**

Particulars	Property, plant and equipment (including investment property)	Allowance for doubtful debts – trade receivables	Valuation 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	Other disallowances under Income Tax	Total
At 1st April 2019	146.91	28.74	309.24	(10.34)	(2.04)	-	-	472.51
(Charged)/credited: - to profit or loss - to other comprehensive income	(31.05)	0.55	(73.19) 3.95	0.68	0.89	0.99		(101.12) 3.95
At 31st March 2020	115.86	29.29	240.00	(9.66)	(1.15)	0.99	-	375.34
(Charged)/credited: - to profit or loss - to other comprehensive income	(1.78)	(9.18)	(63.58) (2.64)	(2.02)	0.70	(0.55)	6.10	(70.31) (2.64)
At 31st Mar 2021	114.08	20.11	173.78	(11.67)	(0.45)	0.43	6.10	302.39

**Note 8: Inventories**

Particulars	31-Mar-21	31-Mar-20
Raw materials	274.49	233.37
Work-in-progress	385.89	431.43
Finished goods	76.65	217.48
Stores and spares	100.32	104.89
<b>Total Inventories</b>	<b>837.35</b>	<b>987.16</b>

**Amounts recognised in Profit or Loss**

Write downs of inventories amounted Rs. 26.73 Lakhs for the year ended 31st March 2021. These were recognised as expenses during the year ended 31 March 2021 and included in the consumption in the statement of profit or loss. (For the year ended 31st March, 2020 there was reversal of provision for slow moving inventory amounted to Rs. 25.33 Lakhs which was 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)

**Note 9: Current Investments**

Particulars	31-Mar-21	31-Mar-20
<b>Investment in mutual funds - FVPL</b>		
<b>Quoted:</b>		
15979.141 (31 March 2020 : 15445.214) units of HDFC Liquid Fund -Weekly Dividend	164.77	159.75
Nil (31 March 2020 : 7,02,477) units of HDFC Income Fund - Direct Growth (Pledged with H.D.F.C. Bank against working capital limits)	-	325.97
<b>Unquoted:</b>		
495 (31 March 2020 : 495) units of Multi Act Private Equity Investment Fund ( AIF )	612.26	507.72
<b>Total (mutual funds)</b>	<b>777.03</b>	<b>993.44</b>
<b>Total current investments</b>		
Aggregate amount of quoted investments and market value thereof	164.77	485.72
Aggregate amount of unquoted investments	612.26	507.72
Aggregate amount of impairment in the value of investments	-	-

**Note 10: Trade Receivables**

Particulars	31-Mar-21	31-Mar-20
Trade receivables	1,055.79	1,116.71
Less: Allowance for doubtful debts	67.90	103.30
<b>Total Trade Receivables</b>	<b>987.88</b>	<b>1,013.41</b>
Current	987.88	1,013.41
Non - Current		

**Break-up of security details**

Particulars	31-Mar-21	31-Mar-20
Secured, considered good		
Unsecured, considered good*	987.88	1,013.41
Unsecured, Doubtful	67.90	103.30
<b>Total</b>	<b>1,055.78</b>	<b>1,116.71</b>
Allowance for doubtful debts	67.90	103.30
<b>Total trade receivables</b>	<b>987.88</b>	<b>1,013.41</b>
*Includes dues from subsidiaries	30.02	1.11

**Note 11: Cash & Cash Equivalents**

Particulars	31-Mar-21	31-Mar-20
Balances with banks		
- in current accounts	1,831.06	225.98
Deposits with maturity of less than three months	-	283.67
Cash on hand	0.56	1.07
<b>Total cash and cash equivalents</b>	<b>1,831.62</b>	<b>510.72</b>

**Note 11b: Other Bank Balances**

Particulars	31-Mar-21	31-Mar-20
Earmarked Balances		
i. Unpaid Dividend Account	23.64	26.02
ii. Bank Guarantee	141.60	131.25
Bank deposits with maturity more than 3 months but less than 12 months	490.50	9.18
<b>Total Other Bank Balances</b>	<b>655.74</b>	<b>166.45</b>

**Note 12: Other Current Financial Assets**

Particulars	31-Mar-21	31-Mar-20
Accrued Interest	9.66	6.81
Advance to Employees	2.37	1.17
Short term loans and advances to Related party	29.20	
<b>Total other current financial assets</b>	<b>41.23</b>	<b>7.98</b>



**Note 13: Other Current Assets**

Particulars	31-Mar-21	31-Mar-20
Export benefits receivable	49.20	40.76
Licenses on Hand	-	2.80
Balances with revenue authorities	123.99	160.77
Prepaid expenses	20.36	23.27
Advance to Suppliers Considered Good	78.44	117.20
Advance to Suppliers Considered Doubtful	9.46	9.37
Less: Provision for Doubtful advances	(9.46)	(9.37)
<b>Total other current assets</b>	<b>271.99</b>	<b>344.80</b>

**Note 14: Share Capital**

Particulars	31-Mar-21	31-Mar-20
<b>Authorised</b> 1,00,00,000 equity shares of Rs. 10 each (31st March 2020 : 50,00,000 equity shares of Rs. 10 each) (Increased in Authorised Capital in 66th Annual General Meeting dated 24.09.2020 from 5 Cr to 10 Cr)	1000.00	500.00
<b>Total Authorised capital</b>	<b>1000.00</b>	<b>500.00</b>
<b>Issued, subscribed &amp; fully paid up share capital</b> 59,41,120 equity shares of Rs. 10 each (31st March 2020 : 45,51,120 equity shares of Rs. 10 each)	594.11	455.11

**(i) Movement in Equity Share Capital**

Particulars	31-Mar-21		31-Mar-20	
	Number of shares	Equity share capital (par value)	Number of shares	Equity share capital (par value)
<b>As at 1 April 2019</b>	<b>45,51,120</b>	<b>455.11</b>	<b>45,51,120</b>	<b>455.11</b>
Additions/Deletions	-	-	-	-
<b>As at 31 March 2020</b>	<b>45,51,120</b>	<b>455.11</b>	<b>45,51,120</b>	<b>455.11</b>
Additions/Deletions	13,90,000	139.00	-	-
<b>As at 31 March 2021</b>	<b>59,41,120</b>	<b>594.11</b>	<b>45,51,120</b>	<b>455.11</b>

**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 of 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.

# THE INDIAN CARD CLOTHING COMPANY LIMITED

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

Particulars	31-Mar-21		31-Mar-20	
	Number of shares	% Holding	Number of shares	% Holding
<b>Holding Company</b>				
Multi Act Industrial Enterprises Limited, Mauritius	40,00,066	67.33	26,10,066	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-Mar-21	31-Mar-20
Securities premium reserve	2,221.39	910.22
General Reserve	1,644.49	1,644.49
Retained Earnings	2,918.56	3,007.40
Other Comprehensive Income	(108.34)	(115.85)
<b>Total reserves and surplus</b>	<b>6,676.10</b>	<b>5,446.26</b>

## (i) Securities Premium Reserve

Particulars	31-Mar-21	31-Mar-20
Opening Balance	910.22	910.22
Additions during the year	1,320.50	-
Less: Expenses incurred on issue of shares	(9.34)	-
<b>Closing Balance</b>	<b>2,221.39</b>	<b>910.22</b>

## (ii) General Reserve

Particulars	31-Mar-21	31-Mar-20
Opening balance	1,644.49	1,644.49
Appropriations during the year	-	-
<b>Closing balance</b>	<b>1,644.49</b>	<b>1,644.49</b>

## (iii) Retained earnings

Particulars	31-Mar-21	31-Mar-20
Opening balance	3,007.40	3,425.11
Net profit/(loss) for the period	(88.84)	(417.71)
Dividends	-	-
<b>Closing Balance</b>	<b>2,918.56</b>	<b>3,007.40</b>

## (iv) Other Comprehensive Income

Particulars	31-Mar-21	31-Mar-20
Opening Balance	(115.85)	(104.62)
Remeasurement of post-employment benefit obligations, net of tax	7.51	(11.23)
<b>Closing Balance</b>	<b>(108.34)</b>	<b>(115.85)</b>

## Note 16 (a): Non - Current Borrowings

Particulars	Security	Terms of repayment	Coupon/ Interest rate	31-Mar-21	31-Mar-20
<b>Foreign Currency Loan</b> <b>Loan From - Holding Company</b>					
From Multi-Act Industrial Enterprises Limited	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.	1,870.05	772.44
<b>Total non-current borrowings</b>				<b>1,870.05</b>	<b>772.44</b>
<b>Less: Current maturities of long-term debt (included in note 17)</b>				0.00	0.00
<b>Less: Interest Accrued (included in note 17)</b>				33.92	8.37
<b>Non-current borrowings (as per balance sheet)</b>				<b>1,836.13</b>	<b>764.07</b>

## Note 16 (b): Current Borrowings

Particulars	31-Mar-21	31-Mar-20
<b>Loans repayable on demand</b> <b>Secured</b> <b>Loan From - Bank</b>		
Bank Overdraft (Primary Secured by hypothecation of inventory and book debts and Collateral security of land at Nalagarh, HP)	323.35	978.99
<b>Total current borrowings</b>	<b>323.35</b>	<b>978.99</b>

**Note 17: Other Financial Liabilities**

Particulars	31-Mar-21	31-Mar-20
<b>Non-current</b>		
Security Deposits	181.90	163.02
Lease Liability	-	5.97
<b>Total other non-current financial liabilities</b>	<b>181.90</b>	<b>169.00</b>
<b>Current</b>		
Current maturities of long-term debt	0.00	0.00
Payable to employees	41.03	34.63
Interest accrued	33.92	8.37
Unpaid Dividend	23.64	26.01
Security Deposits	17.15	73.45
Lease Liability	5.97	30.89
<b>Total other current financial liabilities</b>	<b>121.71</b>	<b>173.35</b>

**Note 18: Provisions (Current & Non Current)**

Particulars	31-Mar-21			31-Mar-20		
	Current	Non - Current	Total	Current	Non - Current	Total
<b>Employee Benefits</b>						
Gratuity	18.91	74.02	92.93	18.72	62.28	81.00
Leave Encashment	6.73	47.81	54.53	10.22	50.47	60.69
Provident Fund	-	-	-	-	55.18	55.18
<b>Total</b>	<b>25.64</b>	<b>121.83</b>	<b>147.46</b>	<b>28.94</b>	<b>167.93</b>	<b>196.87</b>

**Leave Obligations**

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

The amount of the provision of Rs. 54.53 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. 2.32 Lakhs (5.27 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 had a Provident Fund Plan, which was a defined benefit plan, which was managed through the Provident Fund Trust of the Company. The contributions were made to the Trust and shortfall in interest obligation, if any was met by the Company. During the year the company has transferred the provident fund obligation to PF Commissioner Pune and as such now the same is classified as 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
<b>Balance as on 1st April 2019</b>	<b>152.09</b>	<b>99.31</b>	<b>52.78</b>
Current Service Cost	18.22		18.22
Interest expense / (income)	8.05	13.18	(5.13)
Loss/(gain) due to curtailment or settlement			
<b>Total amount recognised in profit or loss</b>	<b>26.27</b>	<b>13.18</b>	<b>13.08</b>
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
<b>Total amount recognised in other comprehensive income</b>	<b>9.48</b>	<b>(5.70)</b>	<b>15.18</b>
Employer contributions		0.04	(0.04)
Benefits paid	(50.97)	(50.97)	-
<b>Balance at 31st March 2020</b>	<b>136.86</b>	<b>55.87</b>	<b>81.00</b>
Current Service Cost	18.72		18.72
Interest expense / (income)	7.40	4.00	3.40
Loss/(gain) due to curtailment or settlement			
<b>Total amount recognised in profit or loss</b>	<b>26.12</b>	<b>4.00</b>	<b>22.12</b>
Components of actuarial gain/losses on obligations:			
Due to Change in financial assumptions	(4.60)		(4.60)
Due to experience adjustments	(6.25)		(6.25)
Due to change in demographic assumption	-		-
Return on plan assets (income) excluding amounts included above		(0.70)	0.70
<b>Total amount recognised in other comprehensive income</b>	<b>(10.84)</b>	<b>(0.70)</b>	<b>(10.15)</b>
Employer contributions		0.04	(0.04)
Benefits paid	(19.99)	(19.99)	-
<b>Balance at 31st March 2021</b>	<b>132.16</b>	<b>39.23</b>	<b>92.93</b>

#### Note 19: Other Non Current Liabilities

Particulars	31-Mar-21	31-Mar-20
Deferred Income	18.20	23.06
<b>Total Other Non Current Liabilities</b>	<b>18.20</b>	<b>23.06</b>

#### Note 20: Trade Payables

Particulars	31-Mar-21	31-Mar-20
<b>Current Trade Payables</b>		
i. Total outstanding dues of Micro enterprises and Small Enterprises	64.17	126.56
ii. Total outstanding dues of creditors other than micro enterprises and small enterprises	635.21	708.10
iii. Related parties	2.76	11.09
<b>Total Trade Payables</b>	<b>702.14</b>	<b>845.75</b>

**THE INDIAN CARD CLOTHING COMPANY LIMITED**

**Note 21: Other Current Liabilities**

Particulars	31-Mar-21	31-Mar-20
Payable to PF Trust	0.00	1.71
Statutory dues payable	75.99	27.93
Customer Advances	155.20	216.93
Deferred Income	13.16	22.84
<b>Total Other Current Liabilities</b>	<b>244.34</b>	<b>269.41</b>

**Note 22: Revenue from Operations**

Particulars	31-Mar-21	31-Mar-20
Sale of products	3,930.40	4,106.98
Sale of services	113.47	129.02
<b>Subtotal (A)</b>	<b>4,043.87</b>	<b>4,236.00</b>
<b>Other operating revenue</b>		
i. Rent and Amenities	449.71	694.27
ii. Others	37.27	197.77
<b>Subtotal (B)</b>	<b>486.98</b>	<b>892.04</b>
<b>Total Revenue from Operations (A+B)</b>	<b>4,530.85</b>	<b>5,128.04</b>

**Note 23: Other income**

Particulars	31-Mar-21	31-Mar-20
Dividend income from investments mandatorily measured at fair value through profit or loss	5.99	19.43
Interest income from financial assets mandatorily measured at fair value through profit or loss	69.77	74.87
Income from fair valuation of financial assets mandatorily measured at fair value through profit or loss	124.15	54.16
Income from Mutual Fund Investment	10.53	-
Net gain / ( loss ) on sale of investments	13.49	-
Excess Provision written back	36.68	-
Miscellaneous Income	9.86	8.00
Provision for Doubtful Debt Written Back	35.39	
Interest income from security deposits	0.60	1.00
<b>Total Other Income</b>	<b>306.46</b>	<b>157.46</b>

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

Particulars	31-Mar-21	31-Mar-20
<b>Opening balance</b>		
Work-in progress	431.43	340.05
Finished goods	217.48	248.21
Traded goods	-	13.19
<b>Total opening balance</b>	<b>648.91</b>	<b>601.45</b>
<b>Closing balance</b>		
Work-in progress	385.89	431.43
Finished goods	76.65	217.48
Traded goods	-	-
<b>Total closing balance</b>	<b>462.54</b>	<b>648.91</b>
<b>Total changes in inventories of work-in-progress, stock-in-trade and finished goods</b>	<b>186.37</b>	<b>(47.46)</b>

**Note 25: Employee benefit expenses**

Particulars	31-Mar-21	31-Mar-20
Salaries, wages and bonus	1,048.45	1,073.49
Contribution to provident and other funds	70.73	74.40
Employee group insurance expenses	17.83	22.45
Staff welfare expenses	59.82	81.17
<b>Total employee benefit expenses</b>	<b>1,196.84</b>	<b>1,251.51</b>

**Note 26: Depreciation and amortisation expenses**

Particulars	31-Mar-21	31-Mar-20
Depreciation of property, plant and equipment	357.45	363.12
Amortisation of intangible assets	0.25	2.87
Depreciation on Right to use asset	29.35	29.35
<b>Total depreciation and amortisation expenses</b>	<b>387.06</b>	<b>365.99</b>

**Note 27: Other Expenses**

Particulars	31-Mar-21	31-Mar-20
Power, Fuel and Water	208.92	242.02
Stores, spares, oils and chemicals consumed	138.73	161.54
<b>Repairs to :</b>		
- Building	19.32	90.45
- Plant and Machinery	181.75	202.85
- Others	13.95	11.65
Insurance	15.89	9.08
Short Term Lease	39.32	43.52
Rates, taxes and Duties	101.41	72.18
Directors' Sitting Fees	22.65	19.35
Freight & clearing charges	90.66	142.06
Computer & computer maintenance	27.73	27.72
Security Expenses	114.69	105.21
Commission on sales	192.68	162.25
Housekeeping expenses	72.83	88.46
Recruitment Fees	3.44	23.29
Legal and Professional Fees	201.79	338.90
Provision for doubtful debts / advances (Net)	0.09	2.18
Net Bad Debts/ Advances written off (Net)	18.36	0.34
AMC Charges	20.83	22.87
Loss on sale of long term investment	-	5.09
Travelling and Conveyance	55.38	165.14
Communication Expenses	18.08	29.17
Exchange Loss	13.72	58.49
Payments to auditors (refer details of payment to auditors)	9.52	8.80
Migration/Relocation expenses from Pimpri Plant to Himachal Pradesh Plant.	-	-
Miscellaneous expenses	82.20	171.45
<b>Total other expenses</b>	<b>1,663.94</b>	<b>2,204.06</b>

**Details of payments to auditors**

Particulars	31-Mar-21	31-Mar-20
<b>Payment to auditors</b>		
<b>As auditor:</b>		
Audit fee	7.75	7.00
Tax audit fee	1.25	1.00
<b>In other capacities</b>		
Other services-(Certification)	0.30	0.01
Less: Expenses transferred to securities Premium account	(0.30)	-
Re-imburement of expenses	0.52	0.79
<b>Total payments to auditors</b>	<b>9.52</b>	<b>8.80</b>



**Note 28: Finance costs**

Particulars	31-Mar-21	31-Mar-20
Interest expense	148.97	177.34
Unwinding of Security Deposits	22.06	96.26
Other borrowing costs	-	1.18
Exchange differences regarded as an adjustment to borrowing costs	-	3.48
<b>Total Finance Cost</b>	<b>171.03</b>	<b>278.26</b>

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

Particulars	31-Mar-21			31-Mar-20		
	FVPL	FVOCI	Amortised cost	FVPL	FVOCI	Amortised cost
<b>Financial Assets</b>						
Investments						
- Equity instruments, investments in subsidiaries, joint ventures	-	-	217.91	-	-	167.91
- Equity instruments at fair value	-	-	-	-	-	-
- Bonds and debentures	-	-	-	515.29	-	-
- Mutual funds	777.03	-	-	993.55	-	-
Trade Receivables	-	-	987.88	-	-	1,013.41
Cash and cash equivalents and other bank balances	-	-	2,487.36	-	-	677.17
Security Deposits - Amortised Cost	-	-	43.29	-	-	81.79
Security Deposits - Fair value	9.42	-	-	8.82	-	-
Other Financial Assets	-	-	41.23	-	-	7.98
<b>Total Financial Assets</b>	<b>786.45</b>		<b>3,777.68</b>	<b>1,517.66</b>		<b>1,948.27</b>
<b>Financial Liabilities</b>						
Borrowings	-	-	2,159.48	-	-	1,743.05
Security Deposits	195.40	-	3.65	232.18	-	4.30
Unpaid Dividend	-	-	23.64	-	-	26.01
Trade Payables	-	-	702.14	-	-	845.75
Other Financial Liabilities	-	-	74.95	-	-	43.00
Lease Liability	-	-	5.97	-	-	36.86
<b>Total Financial Liabilities</b>	<b>195.40</b>	<b>-</b>	<b>2,969.83</b>	<b>232.18</b>	<b>-</b>	<b>2,698.97</b>

**(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-Mar-21				31-Mar-20			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
<b>Financial Assets and Liabilities measured at Fair Value</b>								
<b>Financial Investments at FVPL</b>								
Equity shares	-	-	-	-	-	-	-	-
Mutual funds	164.77	-	612.26	777.03	485.72	-	507.83	993.55
Bonds & Debentures	-	-	-	-	515.29	-	-	515.29
Security Deposits	-	-	9.42	9.42	-	-	8.82	8.82
<b>Total Financial Assets</b>	<b>164.77</b>	<b>-</b>	<b>621.68</b>	<b>786.45</b>	<b>1,001.02</b>	<b>-</b>	<b>516.65</b>	<b>1,517.66</b>
<b>Financial Liabilities</b>								
Security Deposits	-	-	195.40	195.40	-	-	232.18	232.18
<b>Total Financial Liabilities</b>	<b>-</b>	<b>-</b>	<b>195.40</b>	<b>195.40</b>	<b>-</b>	<b>-</b>	<b>232.18</b>	<b>232.18</b>

**(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.
- iii) 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, measured at fair value as per Ind AS 109 read with Ind AS 113. These investments are Level 3 investments as per the fair value hierarchy in Ind AS 113 and accordingly determination of fair value is based on a high degree of judgment and input from data that is not directly observable in the market. Further, the fair value is determined using a valuation model, based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data. Hence, the Fair Value is significantly influenced by the expected pattern of future benefits and the earnings growth factors of the underlying investments.

**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 31st March 2021**

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

Particulars	> 6 months pastdue considereddoubtful	Others	Total
Gross carrying amount	48.91	1,006.87	1,055.79
Expected credit losses (Under simplified approach)	-	16.00	16.00
Expected credit losses (Qualitative provision)	48.91	2.99	51.90
<b>Carrying amount of Trade Receivables (net of impairment)</b>	<b>-</b>	<b>987.88</b>	<b>987.88</b>

**As at 31 March 2020**

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

Particulars	> 6 months pastdue considereddoubtful	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
<b>Carrying amount of Trade Receivables (net of impairment)</b>	<b>-</b>	<b>1,013.41</b>	<b>1,013.41</b>

(i) Reconciliation of loss allowance provision – Trade Receivables

<b>Loss allowance as on 1st April 2019</b>	<b>95.39</b>
Changes in loss allowance	7.90
<b>Loss allowance as on 31 March 2020</b>	<b>103.30</b>
Changes in loss allowance	(35.39)
<b>Loss allowance as on 31 March 2021</b>	<b>67.90</b>

**(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-Mar-21	31-Mar-20
<b>Floating rate</b>		
- <b>Expiring within one year (bank overdraft and other facilities)</b>		
- Cash Credit Facilities	176.65	81.01
- LC and Bank Guarantee Facilities	101.89	117.73
- <b>Expiring beyond one year (bank loans/ECB)</b>		
- Long Term Loans	-	1,146.10

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-Mar-21		31-Mar-20	
		Foreign Currency	INR Lakhs	Foreign Currency	INR Lakhs
<b>Hedged Position</b>		-	-	-	-
<b>Unhedged Position</b>					
<b>Amounts Payable</b>	USD	2,546,182	1,870.05	1,052,129	803.89
	GBP	15,719	15.85	16,007	15.10
	EUR	-	-	1,351	1.14
	TRY	-	-	76,829	8.91
<b>Amounts Receivable</b>	USD	152,103	111.71	285,309	215.84
	GBP	29,770	30.02	1,200	1.12
	EUR	-	-	92,613	77.25
	TRY	2,531,726	222.63	2,580,449	296.24
<b>Net Amounts Payable</b>	USD	2,394,078	1,758.34	766,820	588.06
	GBP	-	-	14,807	13.98
	EUR	-	-	-	-
	TRY	-	-	-	-
<b>Net Amounts Receivable</b>	USD	-	-	-	-
	GBP	14,051	14.17	-	-
	EUR	-	-	91,262	76.12
	TRY	2,531,726	222.63	2,503,620	287.33

**(ii) Sensitivity**

The Company has not hedged any of its foreign currency positions as at 31st

Particulars	Impact on (profit) / loss before tax ( INR Lakhs )	
	31-March-2021	31-March-2020
USD sensitivity		
INR/USD -appreciated by 3% (31 March 2020-9%)	52.75	52.93
INR/USD -depreciated by 3% (31 March 2020-9%)	(52.75)	(52.93)
GBP sensitivity		
INR/GBP -appreciated by 8% (31 March 2020-4%)	(1.13)	0.56
INR/GBP -depreciated by 8% (31 March 2020-4%)	1.13	(0.56)
EUR sensitivity		
INR/EUR -appreciated by 3% (31 March 2020-7%)	-	(5.33)
INR/EUR -depreciated by 3% (31 March 2020-7%)	-	5.33
TRY sensitivity		
INR/TRY -appreciated by 23% (31 March 2020-7%)	(51.20)	(20.11)
INR/TRY -depreciated by 23% (31 March 2020-7%)	51.20	20.11

**(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-Mar-21	31-Mar-20
Variable rate borrowings	-	-
Fixed rate borrowings	1,836.13	764.07
<b>Total Borrowings</b>	<b>1,836.13</b>	<b>764.07</b>

As at the end of the reporting period, the Company had the following Fixed/Variable rate borrowings outstanding:

Particulars	31- Mar - 21			31- Mar - 20		
	Weighted Average Interest Rate	Balance	% of Total Loans	Weighted Average Interest Rate	Balance	% of Total Loans
Secured Term Loan from Banks (Variable Interest)						
Secured Term Loan from Parent Company (Fixed Interest)	6.25%	1,836.13	100.00%	6.25%	764.07	100%
<b>Net Exposure to Cash Flow Interest Rate Risk</b>		<b>1,836.13</b>			<b>764.07</b>	

**(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 March 2021	31 March 2020
Interest rates – increase by 50 basis points	-	-
Interest rates – decrease by 50 basis points	-	-

**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. P. K. Trivedi
- 2) Mr. M. K. Trivedi
- 3) Mr. J. M. Kothari
- 4) Mr. Sudhir Merchant
- 5) Mrs. Sangeeta Pandit
- 6) Mr. S. W. Karkamkar
- 7) Mr. Darshan Bhatia

**D. Key Management Personnel**

- 1) Alok Misra (CEO)
- 2) Chandrakant Patil (Chief Financial Officer)
- 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 Multi Act Equity Consultancy Pvt. Ltd.
- 5 The Indian Card Clothing Company Limited Employees Provident Fund

# THE INDIAN CARD CLOTHING COMPANY LIMITED

## Note 32 : Related Party Transactions

Name of party	Nature of transaction	Year ended	Year ended
		31 <sup>st</sup> March 2021	31 <sup>st</sup> March 2020
a) Multi Act Industrial Enterprises Ltd., Mauritius	Issue of Equity shares	1,459.50	-
	ECB – Received	1,129.91	764.07
	Interest Expense	110.06	8.37
	Loan Payable	1,836.13	-
	Interest Payable	33.92	8.37
b) Garnett Wire Ltd., UK	Sales	29.70	2.10
	Purchases	78.42	50.97
	Amount receivable	30.02	1.11
	Amount payable	-	9.74
	Reimbursement of Expenses paid	-	21.05
c) ICC International Agencies Limited	Investment in shares	50.00	-
	Loan given	28.00	-
	Interest Income	1.29	-
	Loan Receivable	28.00	-
	Interest Receivable (Net of TDS)	1.20	-
d) Multi Act Realty Enterprises Private Limited	Deposit Received	-	3.60
e) Multi Act Trade & Investments Private Limited	Investment Advisory Fees Paid	15.00	15.00
	Amount Payable	2.76	1.35
	Income from Mutual fund Investment	10.53	-
	Closing balance of Investment	612.26	507.72
f) Provident Fund Trust	P. F. Contribution during the year	48.03	94.24
	P.F. Amount Payable	-	1.71
	Deficit in Trust Payable	-	-
g) Shivraj Sugar and Allied Products Private Limited	Amount Receivable	0.05	0.05
<b>h) Key Management Personnel</b>			
a) Mr. Prashant K. Trivedi - Chairman	Sitting fees as Director	2.40	1.85
	Payable	0.30	-
b) Mr. Mehul K. Trivedi - Director (Non Executive)	Sitting fees as Director	2.60	1.85
	Payable	0.35	-
c) Mr. J M Kothary Independent Director ( Non Executive )	Sitting fees as Director	4.55	4.15
	Payable	0.65	-
d) Mr. Sudhir Merchant Independent Director ( Non Executive )	Sitting fees as Director	4.50	4.10
	Payable	0.65	-
e) Mrs. Sangeeta S. Pandit Independent Director ( Non Executive )	Sitting fees as Director	4.20	3.60
	Payable	0.60	-
f) Mr. S W Karkamkar Director ( Non Executive)	Sitting fees as Director	2.60	2.30
	Professional Fees	15.00	15.00
	Payable	0.30	-
g) Mr. D V Bhatia Independent Director ( Non Executive )	Sitting fees as Director	1.80	1.50
	Payable	0.30	-
i) Mr. Alok Misra (Chief Executive Officer)	Short Term Employee Benefits Paid	93.31	76.34
	Other Perquisites	-	-
	Payable	25.00	-
j) Mr. Chandrakant Patil Chief Financial Officer ( w.e.f. 28th Sept. 2020)	Short Term Employee Benefits Paid	19.10	-
	Other Perquisites	-	-
	Payable	-	-
k) Mr. Kishor Makwana Chief Financial Officer ( Up to 31st March 2020)	Short Term Employee Benefits Paid	-	29.70
	Other Perquisites	-	-
	Payable	-	0.88
l) Mr. Amogh Barve Company Secretary	Short Term Employee Benefits Paid	20.04	22.12
	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-Mar-21	31-Mar-20
Income Tax Demands	0.31	1.72
Sales Tax Demands - MVAT	164.12	-
Guarantee with Labour Commissioner	35.00	35.00
LBT	89.47	-
Other Matters	7.07	7.07
<b>Total Contingent Liabilities</b>	<b>295.97</b>	<b>43.79</b>

**Note 34 : Commitments**

Particulars	31-Mar-21	31-Mar-20
<b>Capital commitments:</b>		
Contracts remaining to be executed on capital account and not provided for (net of advances)	173.69	1,153.98
<b>Other commitments:</b>		
EPCG - Unfulfilled Export Obligation Commitment	966.13	897.77
<b>Total Capital Commitments</b>	<b>1,139.81</b>	<b>2,051.75</b>

**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-Mar-21	31-Mar-20
Cash and cash equivalents	1,831.62	510.72
Borrowings		
-Current borrowings	(323.35)	(978.99)
-Non-current borrowings	(1,870.05)	(772.44)
<b>Net debt</b>	<b>(361.78)</b>	<b>(1,240.71)</b>

Particulars	Other assets	Liabilities from financing activities	Total
	Cash and cash equivalents	Borrowings	
<b>Net debt as at 1 April 2020</b>	510.72	(1,751.43)	(1,240.71)
Cash flows	1,320.90	(424.40)	896.49
Exchange differences	-	(7.98)	(7.98)
Interest expense	-	(171.03)	(171.03)
Interest paid	-	145.49	145.49
<b>Net debt as at 31 March 2021</b>	<b>1,831.62</b>	<b>(2193.39)</b>	<b>(361.78)</b>

**Note 36 : Reconciliation of Effective Tax Rate**

Particulars	31-Mar-21	31-Mar-20
<b>Accounting Profit before Tax</b>	<b>(18.53)</b>	<b>(316.30)</b>
<b>Tax at Statutory Income Tax rate - 26%</b>	<b>(4.82)</b>	<b>(82.24)</b>
<b>Differences in tax rate and effective tax rate</b>		
Income exempt from income tax	(4.98)	(21.31)
Reversal of DTL on fair value on sale of investments	-	-
Tax impact on rate differences	-	-
DTA on losses not created	9.80	103.55
Taxes in respect of earlier year	-	0.29
Reversal of DTA having no effect due to losses	70.31	101.12
<b>Income Tax expense reported in Statement of Profit and Loss</b>	<b>70.31</b>	<b>101.41</b>

**Note 37 : Disclosure as per section 22 of the MSMED Act.**

Particulars	31-Mar-21	31-Mar-20
Principal amount remaining unpaid to any supplier as at the end of accounting year	64.17	126.56
Interest due thereon remaining unpaid to any supplier as at the end of accounting year	0.01	1.64
Amount of interest paid by the buyer under MSMED along with payments made to supplier beyond appointed day during each accounting year*	58.17	-
Interest due and payable for the period (where the principal has been paid but interest under MSME not paid)	0.08	25.97
Interest accrued and remaining unpaid at the end of accounting year	0.10	58.17
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.	0.35	5.08

\*Includes excess provision made during previous year FY 19-20 written back (₹) 8.55 Lakhs

**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-Mar-21	31-Mar-20
Carrying amount of right-of-use asset at the beginning	34.25	63.60
Depreciation for right-of-use asset	29.35	29.35
Interest expense on lease liabilities	2.39	5.25
Expenses relating to short-term / low value leases	39.32	43.52
Total Cash outflow for leases	72.59	73.77
Carrying amount of right-of-use asset	4.90	34.25
Lease Liability	5.97	36.86



**Note 39 : Earning Per Share**

Particulars	31-Mar-21	31-Mar-20
Profit after Tax	(88.84)	(417.71)
Weighted average number of equity shares used as denominator	5,217,558	4,551,120
Basic and Diluted earning per share of Rs 10/- each	(1.70)	(9.18)

**Note 40 : Segment Reporting**

Sr No	Particulars	Card Clothing	Realty	Others	Total
1	<b>Revenue</b>				
a)	<b>External Sales</b>				
I)	<b>Manufactured / Services</b>	<b>3,920.29</b>	-	-	<b>3,920.29</b>
	Previous Year	4,103.10	-	-	4,103.10
II)	<b>Traded</b>	<b>123.58</b>	-	-	<b>123.58</b>
	Previous Year	132.90	-	-	132.90
b)	<b>Inter-segment sales</b>	-	-	-	-
	Previous Year	-	-	-	-
c)	<b>Other operating income</b>	<b>37.27</b>	<b>449.71</b>	-	<b>486.98</b>
	Previous Year	197.77	694.27	-	892.04
d)	<b>Other Income</b>	<b>91.54</b>	<b>214.93</b>	-	<b>306.47</b>
	Previous Year	19.80	137.67	-	157.47
	<b>Total Revenue</b>	<b>4,172.68</b>	<b>664.64</b>	-	<b>4,837.31</b>
	Previous Year	4,453.56	831.94	-	5,285.50
2	<b>Net profit before tax</b>	<b>(22.74)</b>	<b>175.24</b>	<b>(171.03)</b>	<b>(18.53)</b>
	Previous Year	(469.02)	430.97	(278.26)	(316.30)
3	<b>Other Information</b>				
a)	<b>Segment Assets</b>	<b>5,929.20</b>	<b>4,487.12</b>	<b>429.14</b>	<b>10,845.46</b>
	Previous Year	5,974.44	2,811.76	535.67	9,321.87
b)	<b>Segment Liabilities</b>	<b>3,331.17</b>	<b>220.44</b>	<b>23.64</b>	<b>3,575.24</b>
	Previous Year	3,114.20	280.29	26.01	3,420.50
c)	<b>Capital Expenditure incurred during the year</b>	<b>86.46</b>	<b>1,227.12</b>	-	<b>1,313.58</b>
	Previous Year	265.00	-	-	265.00
d)	<b>Depreciation/ Amortisation</b>	<b>317.49</b>	<b>69.57</b>	-	<b>387.06</b>
	Previous Year	346.79	48.55	-	395.34

**Secondary Segment Information****Information of geographical location of customers**

Particulars	Revenue	Trade Receivables
<b>Domestic Sales</b>	<b>2,915.82</b>	<b>691.43</b>
Previous year	2,776.69	526.26
<b>Export sales</b>	<b>1,128.05</b>	<b>364.35</b>
Previous year	1,459.30	590.45

**Note 41 : 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 ₹ 1,502 lakhs and Rental income loss of Rs.153 Lakhs approximately recorded due to COVID lockdown. Based on present gross profitability ratio, company's gross profitability has reduced approximately by Rs. 655.42 Lakhs

**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/Italics.**

As per our report attached

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

**Mehul Trivedi**  
Director  
(DIN: 00030481)

**SanjeevKumar Karkamkar**  
Director  
(DIN: 00575970)

**SANDEEP RAO**  
Partner  
Membership No. : 047235

**Alok Misra**  
Chief Executive Officer

**Chandrakant Patil**  
Chief Financial Officer

**Amogh Barve**  
Company Secretary

Date : June 24, 2021  
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, 2020 to March 31, 2021	January 25, 2001	Indian subsidiary and hence not applicable	100.00	(136.32)	33.43	69.75	-	62.67	(106.09)	-	(106.09)	-		99.99%
2	Garnet Wire Ltd., UK	Same as holding Company's reporting period, i.e., from April 1, 2020 to March 31, 2021	May 8, 1997	UK Pound (Rs. 101.83 / GBP)	352.89	299.20	813.42	161.33	-	979.05	(44.02)	(9.17)	(34.85)	-		60.00%
3	Shivraj Sugar and Allied Products Pvt. Ltd.	Same as holding Company's reporting period, i.e., from April 1, 2020 to March 31, 2021	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 2020-21
- 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

## Mehul Trivedi

Director  
(DIN: 00030481)

## 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 : June 24, 2021

Place : Mumbai

**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, 2021, 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 and based on the consideration of reports of other auditors on separate financial statements and on the other financial information of the subsidiaries, 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 Group as at March 31, 2021, of the consolidated loss (including 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 Group 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 Group.

**1) Valuation of Investments**

**Description of Key Audit Matters**

The company has total investments of Rs. 777.03 Lakhs which constitutes about 6.79 % of total assets of the company. During the year fair valuation gain is Rs. 124.15 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 2021.
- b) In respect of investments in mutual funds, which are fair valued through profit or loss, fair value for the same is verified from statement of NAV from mutual funds.

- 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 2021, are Rs. 1237.46 Lakhs and impairment provision against the same is Rs. 73.71 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 auditor's report thereon.

Our opinion on the Consolidated Financial Statements does not cover the Other Information and we do not express any form of assurance conclusion thereon.

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

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

### **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 (Ind AS) 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 Consolidated 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 813.42 Lakhs as at 31 March 2021, total revenue of Rs. 995.20 Lakhs, Loss after tax of Rs. 34.85 Lakhs and net cash flows amounting to Rs 11.20 Lakhs (Outflow) 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, 2021 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, 2021 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 Holding Company and its Indian 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 and its subsidiaries 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 and its subsidiaries 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, 2021 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, 2021.
- (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, 2021.

For **P G BHAGWAT LLP**  
Chartered Accountants  
Firm Registration Number: 101118W/W100682

**Sandeep Rao**  
Partner  
Membership Number: 47235

UDIN: 21047235AAAADG3781  
Pune: 24<sup>th</sup> June 2021



**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, 2021 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 Statements**

A company's internal financial control over financial statements 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 company's internal financial control over financial statements 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 2021, 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 **P G BHAGWAT LLP**

Chartered Accountants

Firm Registration Number: 101118W/W100682

**Sandeep Rao**

Partner

Membership Number: 47235

UDIN: 21047235AAAADG3781

Pune: 24th June 2021

## CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH 2021

Particulars	Note No.	As At 31st March 2021	As At 31 March 2020
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Property, plant and equipment	2(a)	4,190.78	3,229.49
Other intangible assets		-	0.25
Right-Of-Use Assets	2(b)	4.90	34.25
Capital work-in-progress	3	35.59	61.04
<b>Financial assets</b>			
i. Investments	4	-	515.41
ii. Loans	5(a)	58.94	95.47
Other Non current assets	6	674.05	823.17
Current Tax assets (Net)		110.22	159.53
Deferred Tax assets (Net)	7	287.75	358.41
<b>Total Non-Current Assets</b>		<b>5,362.23</b>	<b>5,277.01</b>
<b>Current Assets</b>			
Inventories	8	1,185.84	1,375.41
<b>Financial assets</b>			
i. Investments	9	777.03	993.44
ii. Trade receivables	10	1,163.75	1,120.30
iii. Cash and cash equivalents	11(a)	1,996.47	688.32
iv. Other Bank balances	11(b)	655.74	166.45
v. Other financial assets	12	11.94	7.98
Other current assets	13	290.19	394.08
<b>Total Current Assets</b>		<b>6,080.97</b>	<b>4,745.98</b>
<b>TOTAL ASSETS</b>		<b>11,443.20</b>	<b>10,022.99</b>

As per our report attached

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

**Mehul Trivedi**  
Director  
(DIN: 00030481)

**SanjeevKumar Karkamkar**  
Director  
(DIN: 00575970)

**SANDEEP RAO**  
Partner  
Membership No. : 047235

**Alok Misra**  
Chief Executive Officer

**Chandrakant Patil**  
Chief Financial Officer

**Amogh Barve**  
Company Secretary

Date : 24<sup>th</sup> June 2021  
Place : Pune

**THE INDIAN CARD CLOTHING COMPANY LIMITED**

**CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH 2021**

Particulars	Note No.	As At 31 March 2021	As At 31 March 2020
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity share capital	14	594.11	455.11
<b>Other equity</b>			
Reserves and surplus	15	6,556.13	5,430.86
Non-controlling Interest		519.90	533.84
<b>Total Equity</b>		<b>7,670.15</b>	<b>6,419.81</b>
<b>LIABILITIES</b>			
<b>Non-Current Liabilities</b>			
Financial liabilities			
i. Borrowings	16 (a)	1,843.49	777.97
ii. Other financial liabilities	17	181.90	169.00
Provisions (Non - Current)	18	123.69	167.95
Other liabilities	19	18.20	23.06
<b>Total Non-Current Liabilities</b>		<b>2,167.28</b>	<b>1,137.97</b>
<b>Current Liabilities</b>			
Financial liabilities			
i. Borrowings	16 (b)	323.35	978.99
ii. Trade payables	20		
- Trade Payables - Total outstanding dues of micro enterprises and small enterprises.		64.17	126.56
- Trade Payables - Total outstanding dues of Creditors other than micro enterprises and small enterprises.		731.07	784.41
iii. Other financial liabilities	17	151.17	190.25
Provisions (Current)	18	29.92	33.10
Other current liabilities	21	306.09	351.90
<b>Total Current Liabilities</b>		<b>1,605.77</b>	<b>2,465.22</b>
<b>Total Liabilities</b>		<b>3,773.05</b>	<b>3,603.18</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>11,443.20</b>	<b>10,022.99</b>
<b>Summary of significant accounting policies</b>	1		
<b>The accompanying notes are integral part of the Financial Statements</b>	1 - 42		

As per our report attached

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

**Mehul Trivedi**  
Director  
(DIN: 00030481)

**SanjeevKumar Karkamkar**  
Director  
(DIN: 00575970)

**SANDEEP RAO**  
Partner  
Membership No. : 047235

**Alok Misra**  
Chief Executive Officer

**Chandrakant Patil**  
Chief Financial Officer

**Amogh Barve**  
Company Secretary

Date : 24<sup>th</sup> June 2021  
Place : Pune

**CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE PERIOD ENDED 31ST MARCH 2021**

Particulars	Note No.	As At 31 March 2021	As At 31 March 2020
<b>Continuing operations</b>			
Revenue from operations	22	5,464.45	6,130.87
Other income	23	322.41	160.27
<b>Total Income</b>		<b>5,786.86</b>	<b>6,291.14</b>
<b>Expenses</b>			
Cost of materials consumed		1,497.18	2,132.19
Purchases of stock-in-trade		102.30	107.51
Changes in inventories of work-in-progress, stock-in-trade and finished goods	24	203.16	(71.18)
Employee benefit expenses	25	1,689.91	1,697.91
Depreciation and amortisation expenses	26	411.04	419.72
Other expenses	27	1,914.99	2,463.43
Finance costs	28	172.86	280.00
<b>Total Expenses</b>		<b>5,991.44</b>	<b>7,029.58</b>
<b>Profit/(Loss) before Exceptional items and Tax</b>		<b>(204.58)</b>	<b>(738.43)</b>
<b>Exceptional items</b>			
Profit on sale of Fixed Assets		22.62	324.28
<b>Profit/(Loss) before Tax from Continuing Operations</b>		<b>(181.96)</b>	<b>(414.15)</b>
Income Tax expense			
- Current tax		-	-
- Tax in respect of earlier years		(5.41)	(0.96)
- Deferred tax	7	67.81	97.05
<b>Total Tax Expense</b>		<b>62.40</b>	<b>96.09</b>
<b>Profit/(Loss) from Continuing Operations</b>		<b>(244.36)</b>	<b>(510.24)</b>
<b>Discontinued Operations</b>			
Profit from discontinued operations before tax		-	-
Tax expense of discontinued operations		-	-
<b>Profit/(Loss) from Discontinued Operations</b>		<b>-</b>	<b>-</b>
<b>Profit/(Loss) for the year</b>		<b>(244.36)</b>	<b>(510.24)</b>
<b>Attributable to:</b>			
Non-controlling Interests		(13.94)	(4.00)
Owners of the Company		(230.42)	(506.24)
<b>Other Comprehensive Income</b>			
Items that will not be reclassified to profit or loss		-	-
Actuarial Gain / (Loss)		10.95	(14.67)
Income tax relating to these items	7	(2.85)	3.81
Non-controlling Interests		-	-
		<b>8.10</b>	<b>(10.86)</b>
Items that will be reclassified to profit or loss		<b>8.10</b>	<b>(10.86)</b>
Exchange differences on translation of Foreign Operations		<b>36.41</b>	<b>24.33</b>
<b>Total Comprehensive Income for the year</b>		<b>(199.84)</b>	<b>(496.76)</b>
<b>Attributable to:</b>			
Non-controlling Interests		(13.94)	(4.00)
Owners of the Company		(185.91)	(492.76)
<b>Earnings per equity share ( Nominal Value per share INR 10 )</b>			
Basic & Diluted		(4.42)	(11.12)

As Per Our Report Attached

<b>M/S. P.G. BHAGWAT</b>	<b>Mehul Trivedi</b>	<b>Sanjeevkumar Karkamkar</b>
Chartered Accountants	Director	Director
FRN-101118W	(DIN: 00030481)	(DIN: 00575970)

<b>SANDEEP RAO</b>	<b>Alok Misra</b>	<b>Chandrakant Patil</b>	<b>Amogh Barve</b>
Partner	Chief Executive Officer	Chief Financial Officer	Company Secretary
<b>MEMBERSHIP NO. : 047235</b>			

**DATE : 24<sup>th</sup> JUNE 2021**  
**PLACE : PUNE**

# THE INDIAN CARD CLOTHING COMPANY LIMITED

## AUDITED CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2021

(Rs. in Lakh)

SN	Particulars	31-Mar-21	31-Mar-20
<b>A.</b>	<b>Cash flow from operating activities</b>		
	<b>Net profit before tax</b>	<b>(181.96)</b>	<b>(414.15)</b>
	Adjustments for:		
	Loss / (profit) on sale of property, plant and equipment	(22.62)	(324.17)
	Bad Debts / Provision for doubtful debts and advances and write back	(16.68)	8.92
	Excess provision / creditors written back (including advances)	(36.68)	(5.72)
	Unrealised foreign exchange (gain) / loss (net) and Foreign Exchange Translation Reserve	51.56	67.43
	Income from Sale of Investment	(13.49)	-
	Depreciation and amortisation	411.04	419.72
	Interest earned	(69.23)	(74.87)
	Unrealised (gain) / loss on mutual fund investments	(124.15)	(54.16)
	Dividend from mutual fund investments	(5.99)	(19.43)
	Income from Mutual fund Investment	(10.53)	
	Interest charged	150.80	180.26
	<b>Operating profit before working capital changes</b>	<b>132.07</b>	<b>(216.18)</b>
	Changes in working capital		
	(Increase) /decrease in trade receivables	(28.98)	(21.51)
	(Increase)/decrease in inventories	189.57	286.94
	(Increase)/decrease in non-current loans	24.07	17.47
	(Increase)/decrease in non-current Other Financial assets	-	0.96
	(Increase)/decrease in other non-current assets	1.40	5.19
	(Increase)/decrease in current financial assets-others	(1.10)	1.25
	(Increase)/decrease in other current assets and other bank balances	(385.39)	(72.22)
	Increase/(decrease) in other non current financial liabilities	27.63	(698.90)
	Increase/(decrease) in trade payables	(96.27)	(154.94)
	Increase/(decrease) in other current financial liabilities	(37.04)	(25.95)
	Increase/(decrease) in other non current liabilities	(4.86)	12.55
	Increase/(decrease) in other current liabilities	(45.81)	(194.94)
	Increase/(decrease) in long term provisions	(44.26)	(25.02)
	Increase/(decrease) in short term provisions	7.77	(5.41)
	<b>Cash generated from operations</b>	<b>(261.19)</b>	<b>(1,090.71)</b>
	Direct taxes paid (including taxes deducted at source), net of refunds	54.72	(55.91)
<b>B.</b>	<b>NET CASH FROM OPERATING ACTIVITIES</b>	<b>(206.47)</b>	<b>(1,146.61)</b>
	<b>Cash flow from investing activities</b>		
	Purchase of property, plant and equipment and intangible assets	(1,172.97)	(390.42)
	(Purchase)/ Sale of investments (net)	869.46	1,245.77
	Proceeds from sale of property, plant and equipment	26.05	335.47
	Interest received on investments	66.37	92.03
	Dividend received on investments	5.99	19.43
	Income received from Mutual fund Investment	10.53	-
<b>C.</b>	<b>NET CASH FROM / (USED) IN INVESTING ACTIVITIES</b>	<b>(194.57)</b>	<b>1,302.27</b>
	<b>Cash flow from financing activities</b>		
	Proceeds from issuance of share capital (net of share issue expenses)	1,450.16	-
	Increase / (Decrease) in Long term borrowings	1,073.20	428.08
	Increase / (Decrease) in borrowings	(655.64)	6.12
	FCTR	-	-
	Payment Against Right to use	(30.89)	(25.00)
	Interest on Lease Liability	(2.39)	(5.25)
	Dividend paid including dividend distribution tax	(2.38)	(2.40)
	Interest paid	(122.87)	(163.15)
	<b>NET CASH FROM / (USED) IN FINANCING ACTIVITIES</b>	<b>1,709.20</b>	<b>238.40</b>
	<b>Net increase/(decrease) in cash and cash equivalents (A+B+C)</b>	<b>1,308.15</b>	<b>394.06</b>
	<b>Cash and cash equivalents at the beginning of the year (Refer Note 11)</b>	<b>688.32</b>	<b>294.26</b>
	<b>Cash and cash equivalents at the end of the year (Refer Note 11)</b>	<b>1,996.47</b>	<b>688.32</b>

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

**P G BHAGWAT LLP**  
Chartered Accountants  
FRN-101118W/W100682

**Mehul Trivedi**  
Director  
(DIN: 00030481)

**SanjeevKumar Karkamkar**  
Director  
(DIN: 00575970)

**SANDEEP RAO**  
Partner  
Membership No. : 047235

**Alok Misra**  
Chief Executive Officer

**Chandrakant Patil**  
Chief Financial Officer

**Amogh Barve**  
Company Secretary

Date : 24<sup>th</sup> June 2021  
Place : Pune

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH 2021

## A. Equity Share Capital

Particulars	31 <sup>st</sup> March 2021	31 <sup>st</sup> March 2020
Balance at the beginning of the year	455.11	455.11
Changes in equity share capital during the year	139.00	-
Balance at the end of the year	594.11	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 as on 01 April 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	-	-	-	-	-	-	-	-
<b>Total</b>	-	-	-	(506.24)	24.33	(10.86)	(4.00)	(496.77)
<b>Transactions with owners in their capacity as owners:</b>								-
Issue of equity shares, net of transaction costs	-	-	-	-	-	-	-	-
Dividends paid	-	-	-	-	-	-	-	-
<b>Balance at 31st March 2020</b>	<b>910.22</b>	<b>2,350.20</b>	<b>10.88</b>	<b>2,264.08</b>	<b>9.64</b>	<b>(114.15)</b>	<b>533.84</b>	<b>5,964.72</b>
Profit for the year	-	-	-	(230.42)	36.41	8.10	(13.94)	(199.84)
Dividends paid	-	-	-	-	-	-	-	-
Other deductions / write backs / Adjustment	-	-	-	-	-	-	-	-
Remeasurement of post-employment benefit obligations, net of tax	-	-	-	-	-	-	-	-
<b>Total</b>	<b>910.22</b>	<b>2,350.20</b>	<b>10.88</b>	<b>2,033.65</b>	<b>46.05</b>	<b>(106.04)</b>	<b>519.90</b>	<b>5,764.87</b>
<b>Transactions with owners in their capacity as owners:</b>								-
Issue of equity shares, net of transaction costs	1,311.16	-	-	-	-	-	-	1,311.16
Dividends paid	-	-	-	-	-	-	-	-
<b>Balance at 31st March 2021</b>	<b>2,221.38</b>	<b>2,350.20</b>	<b>10.88</b>	<b>2,033.65</b>	<b>46.05</b>	<b>(106.04)</b>	<b>519.90</b>	<b>7,076.03</b>

As per our report attached

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

**Mehul Trivedi**  
Director  
(DIN: 00030481)

**SanjeevKumar Karkamkar**  
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**SANDEEP RAO**  
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Chief Executive Officer

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Chief Financial Officer

**Amogh Barve**  
Company Secretary

Date : 24<sup>th</sup> June 2021  
Place : Pune

**CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2021**

**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 and the Bombay Stock Exchange 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. 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.

**iv. Principles of Consolidation**

The consolidated financial statements comprise the financial statements of the company and its subsidiaries as at 31 March 2021

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 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 <sup>st</sup> March 2021	31 <sup>st</sup> March 2020
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.

#### v) 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 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 38 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**

The Company, after receiving an exemption under the provisions of The Employees Provident Funds and Miscellaneous Provisions Act, 1952 ("the Act") had been running an Employee Provident Fund Trust (in the name of "The Indian Card Clothing Co. Ltd. Employees Provident Fund Trust") as an 'Exempted Establishment'. The rate at which the annual interest was payable to the beneficiaries by the trust was administered by the government. Being an exempted establishment, the Company had an obligation to make good the shortfall, if any, between the return from the investments of the trust and the notified interest rate.

After incurring consecutive losses on account of shortfall in returns on investments vis-à-vis the interest payment made to the beneficiaries, the Company made an application for surrendering the status of 'Exempted Establishment'. Subsequent to this application and after complying with all the compliances and formalities related to surrendering the status of Exempted Establishment, as per the directions of Provident Fund authorities effective from 1st November, 2020, the Company started reporting compliance as an un-exempted establishment. Accordingly, during the year under review, the provident fund balances of the employees as maintained with the Company's Trust as mentioned above have been transferred to government managed Provident Fund.

Subsequent to the surrender of exemption and transfer of entire provident fund balances of the employees to the government managed provident fund, the Company's contributions to the employees' provident fund are made in accordance with the provisions of the act as amended from time to time or such other statute as made applicable. The Company has now adopted a policy of charging Company's Contributions to provident fund of



employees directly to its Statement of Profit and Loss by recognising it as an expenses in the year when the contributions to the provident fund of the employees fall due. Accordingly, Company's contribution to the provident fund of the employee is paid to the government managed provident fund immediately after the employee becomes entitled to receive Salary for the required service rendered by him. The employee's contribution to his own provident fund is deducted from his salary and paid by the Company to the government managed provident fund on behalf of the employee.

#### **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 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. Amendment to Ind AS 116, "Leases" - Covid-19-Related Rent Concessions beyond 30 June 2021 On 24 July 2020, the MCA issued the Companies (Indian Accounting Standard) Amendment Rules, 2020 which amended Ind AS 116 to provide relief for lessees in accounting for eligible rent concessions upto 31 July

2021 that are a direct consequence of COVID-19. The exposure draft on amendments to Ind AS 116 issued by the Institute of Chartered Accountants of India proposes amendments to extend the relief for lessees in accounting for eligible rent concessions upto 31 July 2022.

2. Amendment to Ind AS 116, "Leases" - Interest Rate Benchmark Reform: Phase 2 The exposure draft on amendments to Ind AS 116 issued by the Institute of Chartered Accountants of India proposes amendments to include a practical expedient in respect of all lease modifications that change the basis for determining future lease payments as a result of interest rate benchmark reform.
3. Amendments to Ind AS 37, "Provisions, Contingent Liabilities and Contingent Assets" – Onerous Contracts The exposure draft on amendments to Ind AS 37 issued by the Institute of Chartered Accountants of India proposes amendments regarding costs a company should include as the cost of fulfilling a contract when assessing whether a contract is onerous.
4. Amendments to Ind AS 16, "Property, Plant and Equipment" – Proceeds before Intended Use The exposure draft on amendments to Ind AS 16 issued by the Institute of Chartered Accountants of India proposes amendments regarding proceeds from selling items produced while bringing an asset into the location and condition necessary for it to be capable of operating in the manner intended by management.
5. Amendments to Ind AS 103, "Business Combinations" – Reference to the Conceptual Framework The exposure draft on amendments to Ind AS 103 issued by the Institute of Chartered Accountants of India proposes amendments to change out updated reference to "Framework for the Preparation and Presentation of Financial Statements in accordance with Indian Accounting Standards" and update it with reference to "Conceptual Framework for Financial Reporting under Indian Accounting Standards". It also proposes certain consequential amendments.
6. Amendments to 101, "First-time Adoption of Indian Accounting Standards" – Subsidiary as a First-time Adopter The exposure draft on amendments to Ind AS 101 issued by the Institute of Chartered Accountants of India proposes amendments to simplify the application of Ind AS 101 by a subsidiary that becomes a first-time adopter after its parent in relation to the measurement of cumulative translation differences.
7. Amendments to 41, "Agriculture" – Taxation in Fair Value Measurements The exposure draft on amendments to Ind AS 41 issued by the Institute of Chartered Accountants of India proposes amendments to remove a requirement to exclude cash flows from taxation when measuring fair value thereby aligning the fair value measurement requirements in Ind AS 41 with those in other Ind AS's.
8. Amendments to Ind AS 109, "Financial Instruments" and Ind AS 107, "Financial Instruments: Disclosures" - Interest Rate Benchmark Reform: Phase 2 The exposure draft on amendments to Ind AS 109 and Ind AS 107 issued by the Institute of Chartered Accountants of India proposes amendments to assist entities in providing useful information about the effects of the transition to alternative benchmark rates and support preparers in applying the requirements of Ind AS's when changes are made to contractual cash flows or hedging relationships as a result of the transition to an alternative benchmark interest rate.
9. New Indian Accounting Standard (Ind AS) 117, Insurance Contracts The exposure draft of Ind AS 117 is issued by the Institute of Chartered Accountants of India as replacement for Ind AS 104 Insurance Contracts.

The above exposure drafts have not been notified by the Ministry of Corporate Affairs ('MCA') to be applicable from 1 April, 2021 as at the date of approval of these financial statements. On issue of the amendment by MCA, the Company would evaluate the impact of the change in the standalone financial statements.

Note 2: Property, Plant &amp; 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
<b>Opening carrying amount as at 1st April 2019</b>	<b>807.97</b>	<b>3,915.50</b>	<b>5,656.40</b>	<b>194.28</b>	<b>255.84</b>	<b>456.12</b>	<b>604.53</b>	<b>11,890.63</b>	<b>41.72</b>	<b>11,932.35</b>
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)
<b>Closing gross carrying amount at 31 March 2020</b>	<b>807.97</b>	<b>3,915.50</b>	<b>5,310.92</b>	<b>200.91</b>	<b>271.08</b>	<b>541.22</b>	<b>591.13</b>	<b>11,638.74</b>	<b>41.72</b>	<b>11,680.46</b>
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)
<b>Closing accumulated depreciation and impairment at 31 March 2020</b>	<b>-</b>	<b>2,590.80</b>	<b>4,448.84</b>	<b>158.92</b>	<b>183.32</b>	<b>461.23</b>	<b>566.14</b>	<b>8,409.26</b>	<b>41.47</b>	<b>8,450.73</b>
<b>Net carrying amount at 31 March 2020</b>	<b>807.97</b>	<b>1,324.70</b>	<b>862.08</b>	<b>41.99</b>	<b>87.77</b>	<b>80.01</b>	<b>24.99</b>	<b>3,229.49</b>	<b>0.25</b>	<b>3,229.74</b>
<b>Opening gross carrying amount as at 1st April 2020</b>	<b>807.97</b>	<b>3,915.50</b>	<b>5,310.92</b>	<b>200.91</b>	<b>271.08</b>	<b>541.22</b>	<b>591.13</b>	<b>11,638.74</b>	<b>41.72</b>	<b>11,680.46</b>
Exchange differences	-	-	-	-	-	-	-	-	-	-
Additions	329.79	791.56	148.81	7.07	41.51	10.90	16.49	1,346.14	-	1,346.14
Disposal/ Other Adjustment	-	-	(56.94)	(0.02)	(162.51)	(3.37)	-	(222.84)	-	(222.84)
Asset held for disposal	-	-	-	-	-	-	-	-	-	-
<b>Closing gross carrying amount at 31 Mar 2021</b>	<b>1,137.76</b>	<b>4,707.06</b>	<b>5,402.79</b>	<b>207.96</b>	<b>150.08</b>	<b>548.74</b>	<b>607.63</b>	<b>12,762.04</b>	<b>41.72</b>	<b>12,803.76</b>
Opening accumulated depreciation	-	2,590.80	4,448.84	158.92	183.32	461.23	566.14	8,409.26	41.47	8,450.73
Depreciation charge during the year	-	132.75	175.57	8.80	17.70	38.36	8.24	381.42	0.25	381.67
Disposals	-	-	(55.58)	(0.02)	(160.46)	(3.35)	-	(219.41)	-	(219.41)
Asset held for disposal	-	-	-	-	-	-	-	-	-	-
Exchange differences	-	-	-	-	-	-	-	-	-	-
<b>Closing accumulated depreciation and impairment at 31 Mar 2021</b>	<b>-</b>	<b>2,723.55</b>	<b>4,568.83</b>	<b>167.70</b>	<b>40.56</b>	<b>496.24</b>	<b>574.38</b>	<b>8,571.26</b>	<b>41.72</b>	<b>8,612.98</b>
<b>Net carrying amount at 31 Mar 2021</b>	<b>1,137.76</b>	<b>1,983.51</b>	<b>833.96</b>	<b>40.26</b>	<b>109.52</b>	<b>52.51</b>	<b>33.25</b>	<b>4,190.78</b>	<b>-</b>	<b>4,190.78</b>

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 Loan. (For details refer note no 16(a) & Land at Nalagarh HP is given as collateral security for Bank Overdraft. [For details refer note no 16(b)]

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

Particulars	31-Mar-21	31-Mar-20
Opening gross carrying amount	63.60	-
Exchange differences	-	-
Additions	-	63.60
Disposal/ Other Adjustment	-	(0.00)
Asset held for disposal	-	-
<b>Closing gross carrying amount</b>	<b>63.60</b>	<b>63.60</b>
Opening accumulated depreciation	29.35	-
Depreciation charge during the year	29.35	29.35
Disposals	-	-
Asset held for disposal	-	-
Exchange differences	-	-
<b>Closing accumulated depreciation and impairment</b>	<b>58.70</b>	<b>29.35</b>
<b>Net carrying amount</b>	<b>4.90</b>	<b>34.25</b>

**Note 3: Capital Work in Progress**

Particulars	31-Mar-21	31-Mar-20
Opening balance	61.04	25.10
Additions during the year	10.22	35.94
Capitalised during the year	35.67	0.00
Retirement during the year	0.00	0.00
<b>Net carrying amount</b>	<b>35.59</b>	<b>61.04</b>

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

**Note 4: Non - Current Investments**

Particulars	31-Mar-21	31-Mar-20
<b>Investment in equity oriented mutual Fund - FVPL Unquoted</b>		
Nil (31-Mar-2020 : 4,443) units of HDFC Venture Fund	-	0.11
<b>Total (equity instruments)</b>	<b>-</b>	<b>0.11</b>
<b>Investment in Fixed Maturity Plans and Bonds - FVPL Quoted</b>		
Investment in debentures and bonds	-	-
Nil (31 March 2020 : 50) units of NHAI Tax Free Bonds (Face Value Rs. 10,00,000)	-	515.29
<b>Total (fixed maturity plans and bonds)</b>	<b>-</b>	<b>515.29</b>
<b>Total non current investments</b>	<b>-</b>	<b>515.40</b>
Aggregate amount of quoted investments and market value thereof	-	515.29
Aggregate amount of unquoted investments	-	0.11
Aggregate amount of impairment in the value of investments	-	-

**Note 5: Non - Current Loans & Other (Assets)**

Particulars	31-Mar-21	31-Mar-20
Unsecured, Considered Good	-	-
Security Deposits (Unsecured, considered good)	58.94	95.47
Others	-	-
<b>Total Non - Current Loans (Assets)</b>	<b>58.94</b>	<b>95.47</b>

**Note 6: Other Non current Assets**

Particulars	31-Mar-21	31-Mar-20
Capital advances	672.45	820.17
Prepaid Expenses	1.60	3.00
<b>Total Other Non current Assets</b>	<b>674.05</b>	<b>823.17</b>

**Note 7 : Deferred Tax Assets**

Particulars	Property, plant and equipment (including investment property)	Allowance for doubtful debts – trade receivables	Valuation 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	Other disallowances under Income Tax	Total
<b>At 31 March 2019</b>	<b>125.90</b>	<b>28.74</b>	<b>309.39</b>	<b>(9.53)</b>	<b>(2.85)</b>	<b>-</b>		<b>451.65</b>
(Charged)/credited during the year - to other comprehensive income	(29.49)	(1.99)	(72.12) 3.81	(0.13) -	1.70 -	0.99 -		(97.05) 3.81
<b>At 31 March 2020</b>	<b>96.41</b>	<b>30.73</b>	<b>241.08</b>	<b>(9.66)</b>	<b>(1.15)</b>	<b>0.99</b>	<b>-</b>	<b>358.41</b>
(Charged)/credited during the year - to other comprehensive income	(0.07)	(9.11)	(62.86)	(2.02)	0.70	(0.55)	6.10	(67.81)
	-	-	(2.85)	-	-	-		(2.85)
<b>At 31 March 2021</b>	<b>96.34</b>	<b>21.62</b>	<b>175.38</b>	<b>(11.67)</b>	<b>(0.45)</b>	<b>0.43</b>	<b>6.10</b>	<b>287.75</b>

**Note 8: Inventories**

Particulars	31-Mar-21	31-Mar-20
Raw materials	448.51	456.37
Work-in-progress	396.73	436.68
Finished goods	154.82	316.59
Traded goods	59.45	60.88
Stores and spares	100.32	104.89
Stock in Transit	26.01	-
<b>Total Inventories</b>	<b>1,185.84</b>	<b>1,375.41</b>

**Amounts recognised in Profit or Loss**

Write downs of inventories amounted Rs. 27.63 Lakhs for the year ended 31st March 2021. These were recognised as expenses during the year ended 31 March 2021 and included in the consumption in the statement of profit or loss. (For the year ended 31st March, 2020 there was reversal of provision for slow moving inventory amounted to Rs. 10.75 Lakhs which was 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.)

**Note 9: Current Investments**

Particulars	31-Mar-21	31-Mar-20
<b>Investment in mutual funds - FVPL Quoted</b>		
15979.141 (31 March 2020 : 15445.214) units of HDFC Liquid Fund - Weekly Dividend	164.77	159.74
Nil (31 March 2020 : 7,02,477) units of HDFC Income Fund - Direct Growth (Pledged with H.D.F.C. Bank against working capital limits)	-	325.98
<b>Unquoted</b>		
495 (31 March 2020 : 495) units of Multi Act Private Equity Investment Fund (AIF)	612.26	507.72
<b>Total (mutual funds)</b>	<b>777.03</b>	<b>993.44</b>
<b>Total current investments</b>	<b>777.03</b>	<b>993.44</b>
Aggregate amount of quoted investments and market value thereof	164.77	485.72
<b>Aggregate amount of unquoted investments</b>	<b>612.26</b>	<b>507.72</b>
Aggregate amount of impairment in the value of investments	-	-

**THE INDIAN CARD CLOTHING COMPANY LIMITED**

**Note 10: Trade Receivables**

Particulars	31-Mar-21	31-Mar-20
Trade receivables	1,237.46	1,229.13
Less: Allowance for doubtful debts	73.71	108.84
<b>Total Receivables</b>	<b>1,163.75</b>	<b>1,120.30</b>
Current	1,163.75	1,120.30
Non - Current	-	-

**Break-up of security details**

Particulars	31-Mar-21	31-Mar-20
Secured, considered good	-	-
Unsecured, considered good	1,163.75	1,120.30
Unsecured, Doubtful	73.71	108.83
<b>Total</b>	<b>1,237.46</b>	<b>1,229.13</b>
Allowance for doubtful debts	73.71	108.83
<b>Total Trade Receivables</b>	<b>1,163.75</b>	<b>1,120.31</b>

**Note 11: Cash & Cash Equivalents**

Particulars	31-Mar-21	31-Mar-20
Balances with banks		
- in current accounts	1,995.85	403.50
Deposits with maturity of less than three months	-	283.67
Cash on hand	0.62	1.15
<b>Total Cash and Cash Equivalents</b>	<b>1,996.47</b>	<b>688.32</b>

**Note 11(b): Other Bank Balances**

Particulars	31-Mar-21	31-Mar-20
<b>Earmarked Balances</b>		
i. Unpaid Dividend Account	23.64	26.02
ii. Bank Guarantee	141.60	131.25
Bank deposits with maturity more than 3 months but less than 12 months	490.50	9.18
<b>Total Other Bank Balances</b>	<b>655.74</b>	<b>166.45</b>

**Note 12: Other Current Financial Assets**

Particulars	31-Mar-21	31-Mar-20
Accrued Interest	9.57	6.81
Short term loans and advances to Related party	-	-
Advance to Employees	2.37	1.17
<b>Total Other Current Financial Assets</b>	<b>11.93</b>	<b>7.98</b>

**Note 13: Other Current Assets**

Particulars	31-Mar-21	31-Mar-20
Export benefits receivable	49.20	40.76
Licenses on Hand	-	4.05
Balances with statutory authorities	131.54	167.05
Prepaid expenses	28.87	63.30
Advance to Suppliers Considered Good	78.44	117.20
Advance to Suppliers Considered Doubtful	9.46	9.37
Less: Provision for doubtful advances	(9.46)	(9.37)
Others	2.14	1.73
<b>Total Other Current Assets</b>	<b>290.19</b>	<b>394.08</b>

**Note 14: Share Capital**

Particulars	31-Mar-21	31-Mar-20
<b>Authorised</b> 1,00,00,000 equity shares of Rs. 10 each (31st March 2020 : 50,00,000 equity shares of Rs. 10 each) Increased in Authorised Capital in 66th Annual General Meeting dated 24.09.2020 from 5 Cr TO 10 Cr	1,000	500
<b>Total Authorised capital</b>	<b>1,000</b>	<b>500</b>
<b>Issued, subscribed &amp; fully paid up share capital</b> 59,41,120 equity shares of Rs. 10 each (31st March 2020 : 45,51,120 equity shares of Rs. 10 each)	594.11	455.11

**(i) Movement in Equity Share Capital**

Particulars	31 March 2021		31 March 2020	
	Number of shares	Equity share capital (INR Lakhs)	Number of shares	Equity share capital (INR Lakhs)
As at 1 April 2019	4,551,120	455.11	4,551,120	455.11
Additions/Deletions	-	-	-	-
<b>As at 31 March 2020</b>	<b>4,551,120</b>	<b>455.11</b>	<b>4,551,120</b>	<b>455.11</b>
Additions/Deletions	1,390,000	139.00	-	-
<b>As at 31 March 2021</b>	<b>5,941,120</b>	<b>594.11</b>	<b>4,551,120</b>	<b>455.11</b>

**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 March 2021		31 March 2020	
	Number of shares	% Holding	Number of shares	% Holding
<b>Holding Company</b>				
Multi Act Industrial Enterprises Limited, Mauritius	4,000,066	67.33	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-Mar-21	31-Mar-20
Securities Premium Reserve	2,221.39	910.22
General Reserve	2,350.20	2,350.20
Capital Reserve	10.88	10.88
Retained Earnings	2,033.64	2,264.08
Other Comprehensive Income	(106.04)	(114.15)
Foreign Currency Translation Reserve	46.04	9.63
<b>Total Reserves and Surplus</b>	<b>6,556.11</b>	<b>5,430.86</b>

**THE INDIAN CARD CLOTHING COMPANY LIMITED**

**(i) Securities Premium Reserve**

Particulars	31-Mar-21	31-Mar-20
Opening Balance	910.22	910.22
Addition during the year	1,320.50	-
Less: Expenses incurred on issue of shares	(9.34)	
<b>Closing Balance</b>	<b>2,221.39</b>	<b>910.22</b>

**(ii) General Reserve**

Particulars	31-Mar-21	31-Mar-20
Opening balance	2,350.20	2,350.20
Add: Dividend from Subsidiary	-	-
<b>Closing Balance</b>	<b>2,350.20</b>	<b>2,350.20</b>

**(iii) Capital Reserve**

Particulars	31-Mar-21	31-Mar-20
Opening balance	10.88	10.88
Add: Dividend from Subsidiary	-	-
<b>Closing Balance</b>	<b>10.88</b>	<b>10.88</b>

**(iv) Retained earnings**

Particulars	31-Mar-21	31-Mar-20
Opening balance	2,264.07	2,770.32
Add: Net profit/(Loss) for the period	(230.43)	(506.24)
Less: Dividends Paid	-	-
Less: Other deductions	-	-
<b>Closing Balance</b>	<b>2,033.64</b>	<b>2,264.07</b>

**(v) Other Comprehensive Income**

Particulars	31-Mar-21	31-Mar-20
Opening Balance	(114.15)	(103.29)
Remeasurement of post-employment benefit obligations, net of tax	8.11	(10.86)
<b>Closing Balance</b>	<b>(106.04)</b>	<b>(114.15)</b>

**(vi) Foreign Currency Translation Reserve**

Particulars	31-Mar-21	31-Mar-20
Opening Balance	9.63	(14.70)
Add: Movement during the current year	36.41	24.33
<b>Closing Balance</b>	<b>46.04</b>	<b>9.63</b>



**Note 16 (a): Non - Current Borrowings**

Particulars	Security	Terms of repayment	Coupon/ Interest rate	31-Mar-21	31-Mar-20
<b>Secured Term loans</b>					
From others	Hire Purchase loan, secured against vehicles	Finance Lease	7.5% p.a	7.36	13.90
<b>Foreign Currency Loan</b>					
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.	1,870.05	772.44
<b>Total Non-Current Borrowings</b>				<b>1,877.41</b>	<b>786.34</b>
Less: Current maturities of long-term debt (included in Note 17)				-	-
<b>hvs</b>				<b>33.92</b>	<b>8.37</b>
				<b>1,843.49</b>	<b>777.97</b>

**Note 16 (b): Current Borrowings**

Particulars	31-Mar-21	31-Mar-20
<b>Loans repayable on demand</b>		
<b>Secured</b>		
Bank Overdraft	323.35	978.99
(Primary Secured by hypothecation of inventory and book debts and Collateral security of land at Nalagarh . HP )		
<b>Total Current Borrowings</b>	<b>323.35</b>	<b>978.99</b>

**Note 17: Other Financial Liabilities**

Particulars	31-Mar-21	31-Mar-20
<b>Non-current</b>		
Security Deposits	181.90	163.02
Lease Liability	-	5.97
<b>Total other non-current financial liabilities</b>	<b>181.90</b>	<b>169.00</b>
<b>Current</b>		
Current maturities of long-term debt	8.40	8.70
Payable to employees	62.08	42.84
Interest accrued	33.92	8.37
Unpaid Dividend	23.64	26.01
Security Deposits	17.15	73.45
Lease Liability	5.97	30.89
<b>Total Other Financial Liabilities</b>	<b>151.17</b>	<b>190.25</b>

**Note 18: Provisions (Current & Non Current)**

Particulars	31 March 2021			31 March 2020		
	Current	Non - Current	Total	Current	Non - Current	Total
<b>Employee Benefits</b>						
Gratuity	23.20	75.87	<b>99.07</b>	22.88	62.28	<b>85.16</b>
Leave Encashment	6.73	47.81	<b>54.53</b>	10.22	50.48	<b>60.70</b>
Provident Fund	-	-	-	-	55.18	<b>55.18</b>
<b>Total</b>	<b>29.93</b>	<b>123.68</b>	<b>153.60</b>	<b>33.11</b>	<b>167.94</b>	<b>201.04</b>

**Leave Obligations**

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

The amount of the provision of Rs. 54.53 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. 2.32 Lakhs (Rs. 5.27 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 had a Provident Fund Plan, which was a defined benefit plan, which was managed through the Provident Fund Trust of the Company. The contributions were made to the Trust and shortfall in interest obligation, if any was met by the Company. During the year the company has transferred the provident fund obligation to PF Commissioner Pune and as such now the same is classified as 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
<b>Balance at 31st March 2019</b>	<b>163.78</b>	<b>107.94</b>	<b>55.84</b>
Current Service Cost	20.08		20.08
Interest expense / (income)	8.96	13.86	(4.90)
Loss/(gain) due to curtailment or settlement	-	-	-
<b>Total amount recognised in profit or loss</b>	<b>29.04</b>	<b>13.86</b>	<b>15.18</b>
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
<b>Total amount recognised in other comprehensive income</b>	<b>8.84</b>	<b>(5.83)</b>	<b>14.67</b>
Employer contributions		0.53	(0.53)
Benefits paid	(52.33)	(52.33)	-
<b>Balance at 31st March 2020</b>	<b>149.33</b>	<b>64.17</b>	<b>85.16</b>
Current Service Cost	21.21	0.57	20.64
Interest expense / (income)	8.26	4.00	4.26
Loss/(gain) due to curtailment or settlement	-	-	-
<b>Total amount recognised in profit or loss</b>	<b>29.47</b>	<b>4.57</b>	<b>24.90</b>
Components of actuarial gain/losses on obligations:	-	-	-
Due to Change in financial assumptions	(4.60)	-	(4.60)
Due to experience adjustments	(7.06)	-	(7.06)
Due to change in demographic assumption	-	-	-
Return on plan assets (income) excluding amounts included above	-	(0.71)	0.71
<b>Total amount recognised in other comprehensive income</b>	<b>(11.66)</b>	<b>(0.71)</b>	<b>(10.95)</b>
Employer contributions	-	0.04	(0.04)
Benefits paid	(20.90)	(20.90)	-
<b>Balance at 31st March 2021</b>	<b>146.24</b>	<b>47.18</b>	<b>99.07</b>

#### Note 19: Other Non Current Liabilities

Particulars	31-Mar-21	31-Mar-20
Deferred Income	18.20	23.06
Other	-	-
<b>Total Other Non Current Liabilities</b>	<b>18.20</b>	<b>23.06</b>

**THE INDIAN CARD CLOTHING COMPANY LIMITED**

**Note 20: Trade Payables**

Particulars	31-Mar-21	31-Mar-20
<b>Current</b>		
<b>Trade Payables</b>		
i. Total outstanding dues of Micro enterprises and Small Enterprises	64.17	126.56
ii. Total outstanding dues of creditors other than micro enterprises and small enterprises	731.08	784.40
<b>Total Trade Payables</b>	<b>795.25</b>	<b>910.96</b>

**Note 21: Other Current Liabilities**

Particulars	31-Mar-21	31-Mar-20
Payable to PF Trust	0.00	1.71
Statutory dues payable	85.15	35.42
Customer Advances	189.12	218.94
Other Liabilities	18.67	72.16
Deferred Income	13.16	23.66
<b>Total Other Current Liabilities</b>	<b>306.10</b>	<b>351.89</b>

**Note 22: Revenue from Operations**

Particulars	31-Mar-21	31-Mar-20
Sale of products	4,824.71	4,533.60
Sale of services	129.95	655.64
<b>Subtotal (A)</b>	<b>4,954.66</b>	<b>5,189.24</b>
<b>Other operating revenue</b>		
i. Rent and Amenities	449.71	694.27
ii. Others	37.27	197.92
<b>Subtotal (B)</b>	<b>486.98</b>	<b>892.19</b>
Commission received (C)	22.81	49.44
<b>Total Revenue from Operations (A+B+C)</b>	<b>5,464.45</b>	<b>6,130.87</b>

**Note 23: Other Income**

Particulars	31-Mar-21	31-Mar-20
Dividend income from investments mandatorily measured at fair value through profit or loss	5.99	19.43
Interest income from financial assets mandatorily measured at fair value through profit or loss	69.23	74.87
Income from fair valuation of financial assets mandatorily measured at fair value through profit or loss	124.15	54.16
Income from Mutual Fund Investment	10.53	-
Net gain / ( loss ) on sale of investments	13.49	-
Government Grant	16.15	-
Excess Provision written back	36.68	-
Miscellaneous Income	10.20	10.58
Provision for Doubtful Debt Written Back	35.39	-
Foreign exchange gain	-	0.23
Interest income from security deposits	0.60	1.00
<b>Total Other Income</b>	<b>322.41</b>	<b>160.27</b>

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

Particulars	31-Mar-21	31-Mar-20
<b>Opening balance</b>		
Work-in progress	436.68	345.60
Finished goods	316.59	332.75
Traded goods	60.88	64.61
<b>Total opening balance</b>	<b>814.15</b>	<b>742.96</b>
<b>Closing balance</b>		
Work-in progress	396.73	436.68
Finished goods	154.82	316.59
Traded goods	59.45	60.88
<b>Total closing balance</b>	<b>611.00</b>	<b>814.15</b>
Total changes in inventories of work-in-progress, stock-in-trade and finished goods	<b>203.15</b>	<b>(71.18)</b>

**Note 25: Employee Benefit Expenses**

Particulars	31-Mar-21	31-Mar-20
Salaries, wages and bonus	1,512.78	1,481.25
Contribution to provident and other funds	95.02	112.19
Employee group insurance expenses	21.97	22.45
Staff welfare expenses	60.13	82.02
<b>Total Employee Benefit Expenses</b>	<b>1,689.91</b>	<b>1,697.91</b>

**Note 26: Depreciation, Amortisation & Impairment Expenses**

Particulars	31-Mar-21	31-Mar-20
Depreciation of property, plant and equipment	381.42	385.90
Amortisation of intangible assets	0.25	2.87
Impairment Loss	-	1.59
Depreciation on Right to use asset	29.35	29.35
<b>Total Depreciation and Amortisation Expenses</b>	<b>411.03</b>	<b>419.72</b>

# THE INDIAN CARD CLOTHING COMPANY LIMITED

## Note 27: Other Expenses

Particulars	31-Mar-21	31-Mar-20
Power, Fuel and Water	242.46	254.70
Stores, spares, oils and chemicals consumed	161.68	200.70
<u>Repairs to :</u>		
- Building	19.32	90.45
- Plant and Machinery	181.75	207.82
- Others	22.34	30.86
Insurance	40.84	30.99
Short Term Lease	89.29	100.63
Rates, taxes and Duties	102.40	72.23
Directors' Sitting Fees	24.42	20.28
Freight & clearing charges	91.91	142.06
Computer & computer maintenance	40.64	27.72
Security Expenses	114.69	105.21
Commission on sales	207.31	167.34
Housekeeping expenses	72.83	88.46
Recruitment Fees	3.44	23.29
Legal and Professional Fees	233.63	380.91
Provision for doubtful debts / advances	0.09	2.18
Bad Debts written off	18.63	1.02
AMC Charges	20.83	22.87
Loss on Sale of Assets	-	0.11
Loss on sale of long term investment	-	5.09
Travelling and Conveyance	66.29	185.22
Communication Expenses	24.84	37.26
Exchange Loss	13.88	59.80
Payments to Auditors (refer Details of Payments to Auditors)	21.59	18.64
Miscellaneous expenses	99.89	187.59
<b>Total Other Expenses</b>	<b>1,914.99</b>	<b>2,463.43</b>

## Details of Payments to Auditors

Particulars	31-Mar-21	31-Mar-20
<b>Payment to Auditors</b>		
<b>As auditors:</b>		
Audit fee	19.62	16.57
Tax audit fee	1.45	1.20
<b>In other capacities</b>		
Other services-(Certification)	0.30	0.01
Less: Expenses transferred to securities Premium account	(0.30)	
Re-imbursement of expenses	0.52	0.86
<b>Total Payments to Auditors</b>	<b>21.59</b>	<b>18.64</b>

## Note 28: Finance costs

Particulars	31-Mar-21	31-Mar-20
Interest expense	149.94	179.08
Unwinding of Security Deposits	22.06	96.26
Other borrowing costs	0.86	1.18
Exchange differences regarded as an adjustment to borrowing costs	(0.00)	3.48
<b>Total Finance costs</b>	<b>172.86</b>	<b>280.00</b>

**Note 29: Fair Value Measurements****Financial instruments by category**

Particulars	31 March 2021			31 March 2020		
	FVPL	FVOCI	Amortised cost	FVPL	FVOCI	Amortised cost
<b>Financial assets</b>						
Investments						
- Equity instruments at fair value	-	-	-	-	-	-
- Bonds and debentures	-	-	-	515.29	-	-
- Mutual funds	777.03	-	-	993.55	-	-
- Government securities	-	-	-	-	-	-
Trade receivables	-	-	1,163.75	-	-	1,120.30
Cash and cash equivalents and Other Bank Balances	-	-	2,652.21	-	-	854.77
Security deposits - Amortised Cost	-	-	49.52	-	-	86.65
Security deposits - Fair Value	9.42	-	-	8.82	-	-
Other financial assets	-	-	11.94	-	-	7.98
<b>Total financial assets</b>	<b>786.45</b>	<b>-</b>	<b>3,877.43</b>	<b>1,517.67</b>	<b>-</b>	<b>2,069.70</b>
<b>Financial liabilities</b>						
Borrowings	-	-	2,166.84	-	-	1,756.96
Security deposits	195.40	-	3.65	232.18	-	4.30
Unpaid Dividend	-	-	23.64	-	-	26.01
Trade payables	-	-	795.25	-	-	910.96
Other Financial Liabilities	-	-	95.99	-	-	51.21
Current maturities of long-term debt	-	-	8.40	-	-	8.70
Lease Liability	-	-	5.97	-	-	36.86
<b>Total financial liabilities</b>	<b>195.40</b>	<b>-</b>	<b>3,099.75</b>	<b>232.18</b>	<b>-</b>	<b>2,795.00</b>

**(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

**Level 1** - Level 1 hierarchy includes financial instruments measured using quoted prices.

**Level 2** - The fair value of derivatives is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

**Level 3** - one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

Particulars	31-Mar-21				31-Mar-20			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
<b>Financial assets and liabilities measured at fair value</b>								
<b>Financial Investments at FVPL</b>								
Equity shares	-	-	-	-	-	-	-	-
Mutual funds	164.77	-	612.26	777.03	485.72	-	507.83	993.55
Bonds & Debentures	-	-	-	-	515.29	-	-	515.29
Security Deposits	-	-	9.42	9.42	-	-	8.82	8.82
<b>Total financial assets</b>	<b>164.77</b>	<b>-</b>	<b>621.68</b>	<b>786.45</b>	<b>1,001.01</b>	<b>-</b>	<b>516.65</b>	<b>1,517.66</b>
<b>Financial liabilities</b>								
Security Deposits	-	-	195.40	195.40	-	-	232.18	232.18
<b>Total financial liabilities</b>	<b>-</b>	<b>-</b>	<b>195.40</b>	<b>195.40</b>	<b>-</b>	<b>-</b>	<b>232.18</b>	<b>232.18</b>

**(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, measured at fair value as per Ind AS 109 read with Ind AS 113. These investments are Level 3 investments as per the fair value hierarchy in Ind AS 113 and accordingly determination of fair value is based on a high degree of judgement and input from data that is not directly observable in the market. Further, the fair value is determined using a valuation model, based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data. Hence, the Fair Value is significantly influenced by the expected pattern of future benefits and the earnings growth factors of the underlying investments

**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 2021 :**

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

Particulars	> 6 months past due considered doubtful	Others	Total
Gross carrying amount	54.72	1,182.74	1,237.47
Expected credit losses (Under simplified approach)		16.00	16.00
Expected credit losses (Qualitative provision)	54.72	2.99	57.71
<b>Carrying amount of Trade Receivables (net of impairment)</b>	<b>-</b>	<b>1,163.75</b>	<b>1,163.75</b>

**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
<b>Carrying amount of Trade Receivables (net of impairment)</b>	<b>-</b>	<b>1,120.30</b>	<b>1,120.30</b>

(i) Reconciliation of loss allowance provision – Trade receivables

<b>Loss allowance on 1 April 2019</b>	<b>100.93</b>
Changes in loss allowance	7.91
<b>Loss allowance on 31 March 2020</b>	<b>108.84</b>
Changes in loss allowance	(35.13)
<b>Loss allowance on 31 March 2021</b>	<b>73.71</b>



**(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 March 2021	31 March 2020
<b>Floating rate</b>		
- <b>Expiring within one year (bank overdraft and other facilities)</b>		
- Cash Credit Facilities	176.65	81.01
- LC and Bank Guarantee Facilities	101.89	117.73
<b>Fixed Rate</b>		
- <b>Expiring beyond one year (bank loans/ECB)</b>		
- Long Term Loans		1,146.10

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 March 2021		31 March 2020	
		Foreign Currency	Rs. Lacs	Foreign Currency	Rs. Lacs
<b>Hedged Position</b>		-	-	-	-
<b>Unhedged Position</b>					
Amounts Payable	USD	2,546,182	1,870.05	1,052,129	803.89
	GBP	15,719	15.85	16,007	15.10
	EUR	-	-	1,351	1.14
	TRY	-	-	76,829	8.91
Amounts Receivable	USD	152,103	111.71	285,309	215.84
	GBP	29,770	30.02	1,200	1.12
	EUR	-	-	92,613	77.25
	TRY	2,531,726	222.63	2,580,449	296.24
Net Amounts Payable	USD	2,394,078	1,758.34	766,820	588.06
	GBP	-	-	14,807	13.98
	EUR	-	-	-	-
	TRY	-	-	-	-
Net Amounts Receivable	USD	-	-	-	-
	GBP	14,051	14.17	-	-
	EUR	-	-	91,262	76.12
	TRY	2,531,726	222.63	2,503,620	287.33

**(ii) Sensitivity**

The Company has not hedged any of its foreign currency positions as at 31st March 2021

Particulars	Impact on (profit) / loss before tax	
	31-March-2021	31-March-2020
USD sensitivity		
INR/USD -appreciated by 3% (31 March 2020-9%)	52.75	52.93
INR/USD -depreciated by 3% (31 March 2020-9%)	(52.75)	(52.93)
GBP sensitivity		
INR/GBP-appreciated by 8% (31 March 2020-4%)	(1.13)	0.56
INR/GBP-depreciated by 8% (31 March 2020-4%)	1.13	(0.56)
EUR sensitivity		
INR/EUR-appreciated by 3% (31 March 2020-7%)	-	(5.33)
INR/EUR-depreciated by 3% (31 March 2020-7%)	-	5.33
TRY sensitivity		
INR/TRY-appreciated by 23% (31 March 2020-7%)	(51.20)	(20.11)
INR/TRY-depreciated by 23% (31 March 2020-7%)	51.20	20.11

**(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 2021 and 31 March 2020, 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 March 2021	31 March 2020
Variable rate borrowings	-	-
Fixed rate borrowings	1,851.89	786.67
<b>Total borrowings</b>	<b>1,851.89</b>	<b>786.67</b>

As at the end of the reporting period, the Group had the following Fixed/ variable rate borrowings and interest rate swap contracts outstanding:

	31 March 2021			31 March 2020		
	Weighted average interest rate	Balance	% of total loans	Weighted average interest rate	Balance	% of total loans
Secured Term Loan from Others (Fixed Interest)	7.50%	15.76	0.40%	7.50%	22.60	1.79%
Secured Term Loan from Parent Company (Fixed Interest)	6.25%	1,836.13	99.60%	6.25%	764.07	98.21%
<b>Net exposure to cash flow interest rate risk</b>		<b>1,851.89</b>	<b>100.00%</b>		<b>786.67</b>	<b>100.00%</b>

**(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 March 2021	31 March 2020
Interest rates – increase by 50 basis points	-	-
Interest rates – decrease by 50 basis	-	-

**Note 31 : Names of related parties and relationship****A. Ultimate Parent**

- 1) MultiAct Industrial Enterprises Ltd., Mauritius

**B. Directors -**

- 1 Mr. P K Trivedi
- 2 Mr. M K Trivedi
- 3 Mr. J M Kothari
- 4 Mr. Sudhir Merchant
- 5 Mrs. Sangeeta Pandit
- 6 Mr. S W Karkamkar
- 7 Mr. Darshan Bhatia

**C. Key Management Personnel**

- 1 Alok Misra (CEO)
- 2 Chandrakant Patil (Chief Financial Officer) (w.e.f. 28th Sept. 2020)
- 3 Amogh Barve (Company Secretary)
- 4 Mr. Kunjan Gandhi
- 5 Mr. Prashant Asher
- 6 R J Goodall
- 7 P Priestley
- 8 M J Carline
- 9 S L Shah
- 10 Ian Broadbent

**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 Multi Act Equity Consultancy Pvt. Ltd.
- 5 Joseph Sellers & Sons Limited
- 6 Shaped Wires Limited
- 7 The Indian Card Clothing Company Limited Employees Provident Fund

# THE INDIAN CARD CLOTHING COMPANY LIMITED

## Note 32 : Related party transactions

Name of party	Nature of transaction	Year ended	Year ended
		31 March 2021	31 March 2020
a) Multi Act Industrial Enterprises Ltd., Mauritius	Issue of equity shares	1,459.50	
	ECB - Received	1,129.91	764.07
	Interest Expense	110.06	8.37
	Loan Payable	1,836.13	
	Interest Payable	33.92	8.37
b) Multi Act Realty Enterprises Pvt. Ltd.	Deposit Received back	-	3.60
c) Multi Act Trade & Investments Private Limited	Investment Advisory Fees Paid	15.00	15.00
	Amount Payable	2.76	1.35
	Income from Mutual fund Investment	10.53	-
	Closing balance of Investment	612.26	507.72
d) Provident Fund Trust	P. F. Contribution during the year	48.03	94.24
	P.F. Amount Payable	-	7.36
	Deficit in Trust Payable	-	1.71
e) Joseph Sellers & Sons Ltd.	Sales	-	5.40
	Purchases	45.05	39.76
	Amount receivable	-	0.18
	Amount payable	4.61	4.56
f) Shaped Wires Ltd.	Sales	8.81	8.04
	Purchases	216.36	279.12
	Amount receivable	1.23	0.29
	Amount payable	34.84	25.22
<b>g) Key Management Personnel</b>			
a) Mr. Kunjan Gandhi - Director	Sitting fees as Director	0.44	0.30
	Payable	-	-
b) Mr. Prashant Asher - Director	Sitting fees as Director	0.44	0.15
	Payable	-	-
b) Mr. Prashant K. Trivedi - Chairman	Sitting fees as Director	2.40	1.85
	Payable	0.30	-
c) Mr. Mehul K. Trivedi - Director (Non Executive)	Sitting fees as Director	3.04	2.00
	Payable	0.35	-
e) Mr. J M Kothary Independent Director ( Non Executive )	Sitting fees as Director	4.55	4.15
	Payable	0.65	-
f) Mr. Sudhir Merchant Independent Director ( Non Executive )	Sitting fees as Director	4.50	4.10
	Payable	0.65	-
g) Mrs. Sangeeta S. Pandit Independent Director ( Non Executive )	Sitting fees as Director	4.20	3.60
	Payable	0.60	-
h) Mr. S W Karkamkar Director ( Non Executive )	Sitting fees as Director	3.04	2.60
	Professional Fees	15.00	15.00
	Payable	0.30	-
i) Mr. D V Bhatia Independent Director ( Non Executive )	Sitting fees as Director	1.80	1.50
	Payable	0.30	-
k) Mr. Alok Misra Chief Executive Officer	Short Term Employee	93.31	76.34
	Benefits Paid	-	-
	Other Perquisites	25.00	-
	Payable	-	-
l) Mr. Kishor Makwana Chief Financial Officer (Up to 31st March 2020)	Short Term Employee	-	29.70
	Benefits Paid	-	-
	Other Perquisites	-	0.88
	Payable	-	-
j) Mr. Chandrakant Patil Chief Financial Officer (w.e.f. 28th Sept. 2020)	Short Term Employee	19.10	-
	Benefits Paid	-	-
	Other Perquisites	-	-
	Payable	-	-
m) Mr. Amogh Barve Company Secretary	Short Term Employee	20.04	22.12
	Benefits Paid	-	-
	Other Perquisites	-	-
	Payable	-	-
n) Ian Broadbent	Short Term Employee	14.71	30.38
	Benefits Paid	2.93	5.95
	Pension	-	-
o) M J Carline	Short Term Employee	28.41	-
	Benefits Paid	-	-

( Amounts pertaining to related parties have not been written off or written back during the year)

**Note 33 : Contingent Liabilities**

Particulars	31 March 2021	31 March 2020
Income Tax Demands	19.69	1.72
Sales Tax Demands	164.12	-
Guarantee with Labour Commissioner	35.00	35.00
LBT	89.47	-
Other Matters	7.07	7.07
Disputed Custom Duty liability	42.50	-
<b>Total Contingent Liabilities</b>	<b>357.85</b>	<b>43.79</b>

**Note 34 : Capital Commitments**

Particulars	31 March 2021	31 March 2020
<b>Capital Commitments:</b>		
Contracts remaining to be executed on capital account and not provided for (net of advances)	173.69	1,153.98
<b>Other Commitments:</b>		
EPCG - Unfulfilled Export Obligation Commitment	966.13	897.77
<b>Total Capital Commitments</b>	<b>1,139.81</b>	<b>1,153.98</b>

**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 March 2021	31 March 2020
Cash and cash equivalents	1,996.47	688.32
Borrowings		
-Current borrowings	(323.35)	(978.99)
-Non-current borrowings	(1,885.81)	(795.04)
<b>Net debt</b>	<b>(212.69)</b>	<b>(1,085.71)</b>

Particulars	Other assets	Liabilities from financing activities	Total
	Cash and cash equivalents	Borrowings	
<b>Net debt as at 1 April 2020</b>	688.32	(1,774.03)	(1,085.71)
Cash flows	1,308.15	(417.56)	890.59
Exchange differences	-	7.98	7.98
Interest expense	-	(150.80)	(150.80)
Interest paid	-	125.26	125.26
<b>Net debt as at 31 March 2021</b>	<b>1,996.47</b>	<b>(2,209.16)</b>	<b>(212.69)</b>

**Note 36 : Reconciliation of Effective Tax Rate**

Particulars	31 March 2021	31 March 2020
<b>Accounting Profit before Tax</b>	<b>(181.96)</b>	<b>(414.15)</b>
Tax at Statutory Income Tax rate	(47.31)	(107.68)
<b>Differences in tax rate and effective tax rate</b>		
Income exempt from income tax	(4.98)	(21.31)
Reversal of DTL on fair value on sale of investments	-	-
Tax Effect on dividend from Subsidiaries	-	-
Tax impact on rate differences	-	-
DTA on losses not created	52.29	128.99
Taxes in respect of earlier year	(5.41)	(0.96)
Reversal of DTA having no effect on tax expenses due to losses	67.81	97.05
<b>Income Tax expense reported in Statement of Profit and Loss</b>	<b>62.40</b>	<b>96.09</b>

**Note 37 : Disclosure as per section 22 of the MSMED Act.**

Particulars	FY 2020-21	FY 2019-20
Principal amount remaining unpaid to any supplier as at the end of accounting year	64.17	126.56
Interest due thereon remaining unpaid to any supplier as at the end of accounting year	0.01	1.64
Amount of interest paid by the buyer under MSMED along with payments made to supplier beyond appointed day during each accounting year*	58.17	-
Interest due and payable for the period (where the principal has been paid but interest under MSME not paid)	0.08	25.97
Interest accrued and remaining unpaid at the end of accounting year	0.10	58.17
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.	0.01	5.08

\*Includes excess provision made during previous year FY 19-20 written back (₹) 8.55 Lakhs

**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-Mar-21	31-Mar-20
Carrying amount of right-of-use asset at the beginning	<b>34.25</b>	<b>63.60</b>
Depreciation for right-of-use asset	29.35	29.35
Interest expense on lease liabilities	2.39	5.25
Expenses relating to short-term / low value leases	39.32	43.52
Total Cash outflow for leases	72.59	73.77
Carrying amount of right-of-use asset	4.91	34.25
Lease Liability	5.97	36.86

## Note 39 : Earning Per Share

Particulars	31-Mar-21	31-Mar-20
Profit after Tax	(230.42)	(506.24)
Weighted average number of equity shares used as denominator	5,217,558	4,551,120
Basic and Diluted earning per share of Rs 10/- each	(4.42)	(11.12)

## Note 40 : Segment Reporting

Sr. No.	Particulars	Card Clothing	Realty	Others	Total
1	<b>Revenue</b>				
	a) <b>External Sales</b>				
	i) <b>Manufactured / Services</b>	4,793.07	-	-	4,793.07
	Previous Year	5,004.80	-	-	5,004.80
	ii) <b>Traded</b>	161.59	-	-	161.59
	Previous Year	184.45	-	-	184.45
	b) <b>Other operating income</b>	60.08	449.71	-	509.79
	Previous Year	247.35	694.27	-	941.62
	c) <b>Other Income</b>	107.48	214.93	-	322.41
	Previous Year	22.60	137.67	-	160.27
	<b>Total Revenue</b>	5,122.22	664.64	-	5,786.86
	Previous Year	5,459.20	831.94	-	6,291.14
2	<b>Net profit before tax</b>	(184.34)	175.24	(172.86)	(181.96)
	Previous Year	(565.12)	430.97	(280.00)	(414.15)
3	<b>Other Information</b>				
	a) <b>Segment Assets</b>	6,781.67	4,239.92	421.61	11,443.20
	Previous Year	6,856.99	2,643.86	522.13	10,022.99
	b) <b>Segment Liabilities</b>	3,528.98	220.44	23.64	3,773.05
	Previous Year	3,296.88	280.29	26.01	3,603.18
	c) <b>Capital Expenditure incurred during the year</b>	93.57	1,227.12	-	1,320.69
	Previous Year	288.06	-	-	288.06
	d) <b>Depreciation/ Amortisation</b>	341.46	69.57	-	411.03
	Previous Year	371.17	48.55	-	419.72

## Secondary Segment Information

## Information geographical location of customers

Particulars	Revenue	Trade Receivables
<b>Domestic Sales</b>	3,818.43	903.12
Previous year	3,732.04	639.79
<b>Export sales</b>	1,136.23	334.34
Previous year	1,457.21	589.34

# THE INDIAN CARD CLOTHING COMPANY LIMITED

## Note 41 : 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
<b>Parent Company</b>				
The Indian Card Clothing Co. Ltd.	94.79%	7,270.21	40.70%	(81.33)
<b>Indian Subsidiaries</b>				
ICC International Agencies Ltd.	-0.47%	(36.34)	53.09%	(106.10)
Shivraj Sugar and Allied Products Pvt. Ltd.	0.00%	(0.05)	0.00%	-
<b>Foreign Subsidiaries</b>				
Garnett Wire Ltd. UK	5.11%	392.05	10.46%	(20.91)
Minority Interest in all subsidiaries	6.78%	519.90	6.98%	(13.94)
<b>Total Eliminations and Foreign Currency Translation Reserve</b>				
	-6.20%	(475.64)	-11.22%	22.43
<b>TOTAL</b>	<b>100.00%</b>	<b>7,670.15</b>	<b>100.00%</b>	<b>(199.84)</b>

## Note 42 : 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 Rs. 1,781 Lakhs and Rental income loss of Rs.153 Lakhs approximately recorded due to COVID lockdown. Based on present gross profitability ratio, company's gross profitability has reduced approximately by Rs. 731.12 Lakhs.

## Note 43 : Previous year figures 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

**Mehul Trivedi**  
Director  
(DIN: 00030481)

**SanjeevKumar Karkamkar**  
Director  
(DIN: 00575970)

**SANDEEP RAO**  
Partner  
Membership No. : 047235

**Alok Misra**  
Chief Executive Officer

**Chandrakant Patil**  
Chief Financial Officer

**Amogh Barve**  
Company Secretary

Date : 24<sup>th</sup> June 2021  
Place : Pune



[illegible]



## LIST OF OFFICES

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**THE INDIAN CARD CLOTHING COMPANY LIMITED**

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