

# RISHI TECHTEX LIMITED



Registered Office : 612, Veena Killedar Industrial Estate, 10-14, Pais Street, Byculla (W), Mumbai - 400 011.  
Tel. No. : 022-23075677, 23074897 Fax : 91 (22) 23080022 E-mail : info@rishitechtext.com  
Website : www.rishitechtext.com CIN - L28129MH1984PLC032008

The Dy. General Manager,  
Corporate Relations Department  
Stock Exchange,  
Mumbai

25.08.2021

Ref: Script Code-523021  
ISIN: INE989D01010

**Sub: Notice of 37<sup>th</sup> Annual General Meeting of the Company and Annual Report**

Dear Sir,

Further to our letter dated 20.08.2021 with regard to Intimation of 37<sup>th</sup> Annual General Meeting of the Company, Book Closure and Cut-off Date for E-Voting, please find attached herewith Annual Report for FY 2021 along with Notice of 37<sup>th</sup> Annual General Meeting forming part of it.

The Annual Report and Notice of 37<sup>th</sup> Annual General Meeting are also available on the Company's website i.e. [www.rishitechtext.com](http://www.rishitechtext.com).

This is for your information and record. The disclosure is made pursuant to Regulation 34 (1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Thanking You  
Yours faithfully

**For Rishi Techtex Limited**

**Gauri Gangal**  
Company Secretary



**RISHI TECHTEX**

Rishi Techtex Limited

# WEAVING A BETTER TOMORROW

Agritech | Packtech | Protech | Buildtech

**37<sup>th</sup> Annual Report**  
2020 - 2021

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## Forward Looking Statement

In this Annual Report, we have disclosed forward-looking information to enable investors to fully appreciate our prospects and take informed investment decisions. This report and other communicate - written and oral - that we periodically make, contain forward-looking statements that set our anticipated results based on management plans and assumptions.

We have tried, where ever possible, to identify such statements by using words such as 'anticipate', 'expect', 'project', 'intend', 'plan', 'believe' and words of similar substance in connection with any discussion of future performance.

We cannot, of course, guarantee that these forward-looking statements will be realised, although we believe we have been prudent in our assumptions. Achievement of results is subject to risks, uncertainties, and potentially inaccurate assumptions. Should known or unknown risks or uncertainties materialize, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. Readers should bear this in mind.

We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.

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# Know Us Better

**A leading technical textile (techtex) player**



Incorporated in 1984, Rishi Techtex Limited (RTL) is one of India's leading science-driven technical textile companies. It is engaged in the manufacturing of woven sacks and technical textile products, including PE knitted fabrics, protection nets and shade fabrics. Innovation & R&D, supported by state-of-the-art manufacturing, has been the bedrock of its foundation and growth.

With our state-of-the-art manufacturing facility at Daman, Daman and Diu and Vapi, Gujarat, we are the leading, multi-product Indian company with domestic and global clientele for shade and protection nets. Besides being one of India's top suppliers of agro shade nets, we also provide high-quality horticulture shade nets.

**One of India's top suppliers**



# An Esteemed Board

## Abhishek Patel

**Managing Director since 2012** (DIN : 05183410)

- Responsible for strategic growth and R&D-led initiatives
- Drives the R&D, sales & marketing and operations of the company
- Brings rich exposure of global best practices in transforming the company to a value-added, innovation-driven, premium technical textile player
- Studied Economics and Management at the London School of Economics and Political Science

## Pranav Jayantilal Patel

**Director since 2001** (DIN : 00171387)

- Over 28 years of varied business experience
- Serves as Managing Director of MPD Industries Private Limited
- Holds a Bachelor's degree in Commerce

## Sheela Ayyar

**Director since 2015** (DIN : 06656579)

- Reputed management professional with experience in business strategy
- Currently handles strategic affairs for Tejas Engineering and Management
- Holds a Bachelor's degree in Commerce

## Kunal Rastogi

**Director w.e.f. 09.08.2019** (DIN : 01570584)

- Holds a Bachelor's Degree in Commerce.
- Currently handles the business of Chemport India LLP
- More than seven years of experience working with MNCs

## Corporate Information

### BOARD OF DIRECTORS

#### Mr. Abhishek Patel

Managing Director  
DIN: 05183410

#### Mr. Pranav J. Patel

Non-Executive Director  
DIN: 00171387

#### Ms. Sheela Ayyar

Independent Director  
DIN: 06656579

#### Mr. Kunal Rastogi

Independent Director  
DIN: 01570584

### LISTED AT

BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001

### REGISTERED OFFICE

612, Veena Killedar Industrial Estate, 10/14, Pais Street, Byculla (W), Mumbai - 400 011.

### MANUFACTURING LOCATIONS

1. Causeway Road, Village Kachigam, Taluka Daman, Union Territory of Daman & Diu.
2. Plot No. 2910, Shade No. E, Near Divyesh Chemical, 4th Phase, JIDC, Vapi- 396195.

### CHIEF FINANCIAL OFFICER

Mr. Jagdish Dokwal

### COMPANY SECRETARY

Ms. Gauri Gangal

### STATUTORY AUDITOR

#### Attar & Associates

216, Sai Vihar, Sai Park,  
Shivaji Path, Kalyan (West), 421 301.

### SECRETARIAL AUDITOR

#### Sudhanwa S Kalamkar & Associates

B-1/12 Vijay Wadi Niwas CHS Ltd,  
Lokmanya Tilak Road,  
Mulund East, Mumbai 400 081.

### INTERNAL AUDITOR

#### HRK Corp Advice Private Limited

Shop No. 117-120,  
Center Point, Above IDBI Bank,  
Mahavir Nagar, GIDC, Vapi- 396195.

### BANKERS

#### Canara Bank

Tamrind lane Branch  
Crossly House,  
British Hotel Lane,  
Fort, Mumbai - 400001  
Phone. 022-22702051/60

### REGISTRARS AND TRANSFER

### AGENTS

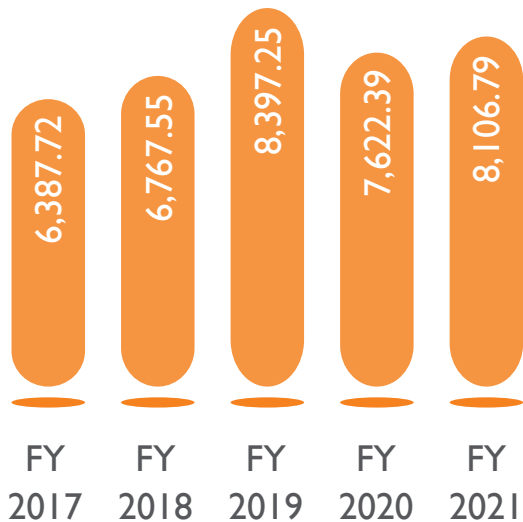
#### Adroit Corporate Services Pvt. Ltd.

17/20, Jaferbhoy Industrial,  
Estate, 1st Floor,  
Makwana Road, Marol Naka,  
Andheri (E), Mumbai - 400 059.

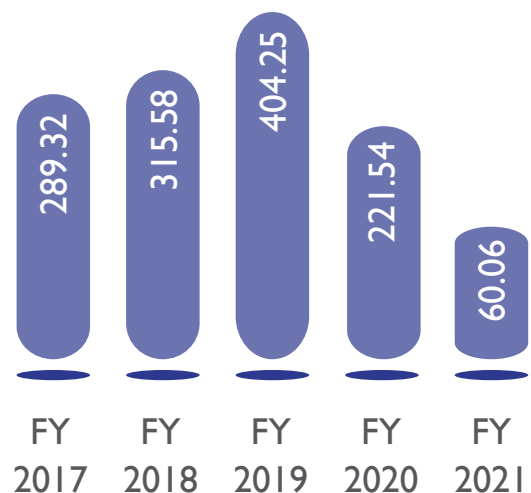
# Our Financial Scorecard



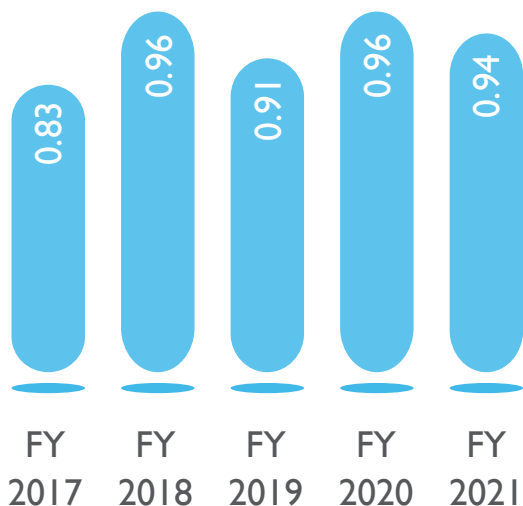
**Revenues**  
(Rs Lakhs)



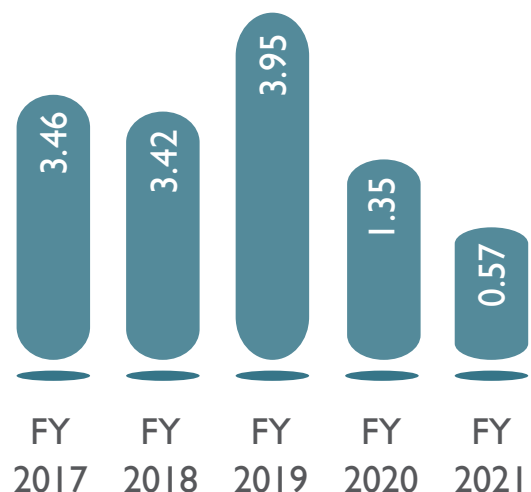
**Profit Before Tax**  
(Rs Lakhs)



**Debt-Equity Ratio**  
(%)



**Earnings Per Share**  
(Rs)



# Our Performance in FY21



**6.13%**

EBITDA Margin

**2,068.36**

Reserves and Surplus *(Rs in lakhs)*



**7.97%**

Return on Capital Employed (ROCE)

**37.98**

Book Value Per Share *(Rs.)*





# 5-Year Financial Highlights - At a Glance

<b>Profit and Loss Account (In Rs Lakhs)</b>	<b>FY 2017</b>	<b>FY 2018</b>	<b>FY 2019</b>	<b>FY 2020</b>	<b>FY 2021</b>
Revenue (Net)	6,387.72	6,767.55	8,397.25	7,622.39	8,106.79
Total Income	6,406.98	6,789.12	8,411.50	7,663.00	8,122.45
EBITDA (Excluding Other Income)	539.99	628.92	827.61	607.76	496.69
Profit/Loss Before Tax (PBT)	289.32	315.58	404.25	221.54	60.06
Profit/Loss After Tax (PAT)	244.99	252.91	292.17	99.66	41.88

<b>Balance Sheet (In Rs Lakhs)</b>	<b>FY2017</b>	<b>FY2018</b>	<b>FY2019</b>	<b>FY2020</b>	<b>FY2021</b>
Equity Capital	708.7	739.1	739.1	739.1	739.1
Reserves and Surplus	1,238.82	1,489.98	1,781.20	1,880.17	2,068.36
Net Worth	1,947.52	2,229.08	2,520.30	2,619.27	2,807.46
Loan Funds	487.51	554.45	427.22	558.02	921.48
Current Liabilities	1,988.36	2,262.57	2,511.40	2,616.81	2,377.71
Other Liabilities	141.76	134.89	121.42	193.3	200.15
<b>Total Liabilities</b>	<b>4,565.15</b>	<b>5,180.99</b>	<b>5,580.34</b>	<b>5,987.40</b>	<b>6,306.80</b>
Gross Block (Including CWIP)	3,799.09	4,381.48	4,565.31	4,821.37	4,982.38
Accumulated Depreciation	2,321.90	2,476.57	2,671.40	2,638.23	2,837.85
Net Block	1,477.19	1,904.91	1,893.91	2,183.14	2,144.53
Investments	39.95	37.28	36.34	20.59	20.96
Sundry Debtors	760.65	1,004.30	1,017.77	910.83	1,033.98
Inventories	1,570.21	1,690.91	2,082.37	2,447.21	2,596.20
Other Current Assets	654.54	468.13	473.01	351.41	424.1
Total Current Assets	2,985.40	3,163.34	3,573.15	3,709.45	4,054.28
Other Assets	62.61	75.46	76.94	74.22	87.03
<b>Total Assets</b>	<b>4,565.15</b>	<b>5,180.99</b>	<b>5,580.34</b>	<b>5,987.40</b>	<b>6,306.80</b>

<b>Ratio Analysis</b>	<b>FY2017</b>	<b>FY2018</b>	<b>FY2019</b>	<b>FY2020</b>	<b>FY2021</b>
EBITDA Margin (%) (Excluding Other Income)	8.45	9.29	9.86	7.97	6.13
PAT Margin (%)	3.84	3.74	3.48	1.31	0.52
Debt-Equity Ratio	0.83	0.96	0.91	0.96	0.94
Total Assets Turnover	1.4	1.31	1.5	1.27	1.29
Fixed Assets Turnover	4.32	3.55	4.43	3.49	3.78
ROCE (%)	16.10	17.04	21.47	13.49	7.97
Debtors Turnover Ratio (%)	11.91	14.84	12.12	11.95	12.75
Inventory Turnover Ratio (%)	24.58	24.99	24.8	32.11	32.03
Interest Coverage Ratio	3.34	2.75	2.77	1.89	1.24
Current Ratio	1.50	1.40	1.42	1.42	1.71
Operating Profit Margin (%)	8.45	9.29	9.86	7.97	6.13
Net Profit Margin (%)	4.53	4.66	4.81	2.91	0.74
Any Changes of Return of Net Worth (Return on Equity)	4.08	4.27	5.47	3	0.81
<b>Ratios Per Share</b>					
Earnings Per Share (Rs)	3.46	3.42	3.95	1.35	0.57
Book Value Per Share (Rs)	27.48	30.16	34.1	35.44	37.98



# Our Commitment



We remain committed to satisfy our customers' needs by providing them with high-quality, value-oriented and scientific protection solutions. Our aim is to become one of the top global manufacturers of PE knitted fabrics and shade nets.

## Our Mission. Our Promise.

To manufacture world-class technical textiles that give our customers a competitive advantage through superior quality, advanced technology and continuous innovation.



## Our Core Values

### Customer Centricity



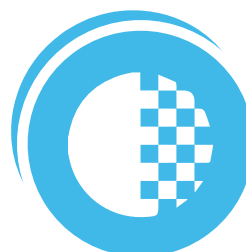
We build trust by delivering exceptional value to our customers.

### Innovation



We continuously improve our products and solutions through R&D and innovation.

### Transparency



We are open, honest and accountable in our relationships with everyone, both internally and externally.

### Responsibility



We practice global standards of worker and human resource welfare and act responsibly as an integral part of the society.

# MESSAGE TO SHAREHOLDERS

Dear Shareholders,

As I write to you, the world continues to face unprecedented situations as a result of the COVID-19 crisis. The outbreak has led to far-reaching socio-economic impact across the world, including India, severely impacting lives and livelihoods. At Rishi Techtex Limited, we stand in solidarity with all the frontline workers who have been working selflessly to fight the ongoing pandemic and serve the nation.

Similar to global economies, the COVID-19 outbreak deepened the challenges being faced by the Indian economy. The pandemic has ravaged the economic foundations of world trade and is forcing an unprecedented social, economic and business reset. Although the economy has been regaining momentum with the lifting of partial lockdowns, normal economic activity still seems distant. The outbreak fundamentally changed the way we live, work, making 'work from home', 'social distancing', and 'higher technology adoption' the 'new normal'.

## How we performed

Let's talk about our performance for the year.

The inevitable measures taken to contain COVID-19 impacted our financial and operational performance. This was further aggravated by a temporary closure of our production facility. The year qualifies as one of the most challenging in our history of more than three decades.

Total Income stood at Rs 8,122.45 lakhs, a marginal increase of 6% compared to Rs 7,663 lakhs in the previous financial year. The bottom line was severely affected by the second wave of COVID-19 and the resultant lockdowns, fluctuating commodity prices and increasing competition. Net Profit after Tax stood at Rs 41.88 lakhs vis-à-vis Rs 99.66 lakhs in the earlier year. Gross Revenue of Rs 8,106.80 lakhs included domestic sales at Rs 6,533.10 lakhs and exports at Rs 1,573.69 lakhs.

Revenue from exports has been growing year on year. Total exports at 971.59 MT increased 21.2% in FY2021, compared to 801.86 MT in FY2020. Exports to UAE, Saudi Arabia and Qatar were the largest contributors to revenue and reported a YoY increase. Exports contributed 20% to total revenue, compared to 19% in the previous year.

Our gearing and net worth ratios were comfortable due to limited capex and modest incremental working capital requirements. Debt protection measures too were healthy. During the year, the manufacturing plant operated at 65% capacity utilisation.



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## Weathering the COVID-19 crisis

At the onset, I would like to reiterate, in continuation of my last year's message, that we navigated the COVID-19 crisis with minimum disruption. We avoided any drastic or irreversible consequences, and the welfare of our employees remained our key priority. However, as the pandemic swept the nation, our manufacturing operations did face significant operational challenges. As lockdowns became a necessity, customer demand became erratic and competition resorted to price-cutting.

As far as manufacturing is concerned, we temporarily shuttered our manufacturing plant in response to government restrictions. We also followed all the COVID-19 guidelines to keep our workers safe, while preparing for increased uncertainty and long-lasting changes to the work environment. When the lockdown was partially lifted, we scaled up our commercial activity.

## Gaining resilience through cost optimisation

As mentioned last year, even as the world dealt with the spiralling effects of the pandemic, we focussed on our priorities. Innovation, automation and cost optimisation continued to be our strategic enablers to emerge from the crisis with minimum disruptions.

We demonstrated our resilience and ability to consistently respond to challenges by differentiating our business sufficiently in the marketplace. What also added to our resilience was our deep industry expertise, distinctive capabilities and footprint, sustainable supply chains and operational excellence.



## Operating in a New Normal

We took quick and decisive actions to respond to the challenges as they unfolded. Employee and customer safety remained our key priority. We also made it a point to continually engage with our customers during the lockdown by maintaining a close dialogue through virtual meetings. Our ability to offer uninterrupted service and to supply customised products further retained their confidence in us.

Our office and desk staff continued 'working from home' during the nationwide lockdown to contain the spread of the virus and protect their health. We maintained constant communication with all other stakeholders to reaffirm our commitment to protect their interests in these tough times.

## Facing industry challenges

The pandemic, which is a health and humanitarian crisis, continued to exert pressure on all industries and businesses, with some shouldering a particularly higher burden. The new reality that emerged was made up of complexity, uncertainty and opportunity.

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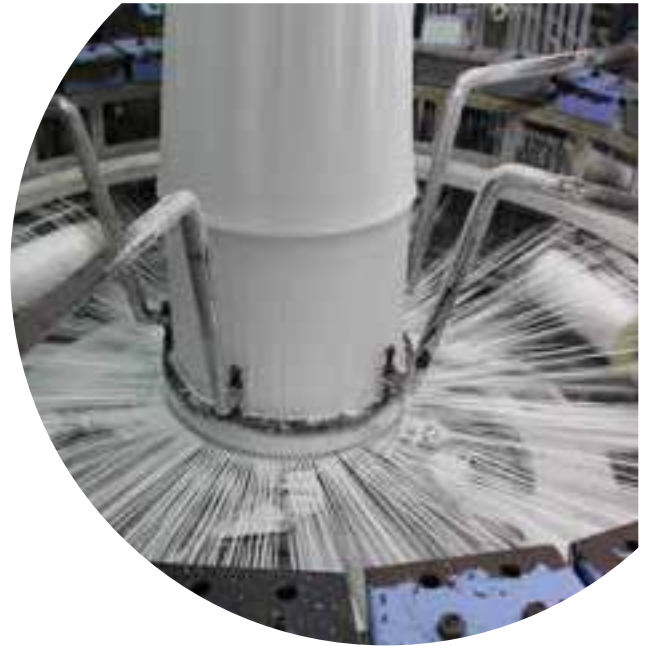
Adding to this challenge, plastic, a key raw material ingredient for our products, was in the midst of a dramatic rally during the year, driven by a combination of rebounding global consumer demand and production outages. The rise was at record levels, as prices increased more than double the 2019-2020 average.

There was an acute shortage of polymers, the main raw material for plastic nets, which has varied applications. The increase in raw material cost and its acute shortage in the market led to escalation in project cost and adversely impacted our cost competitiveness. The price rise added stress to our working capital and financial parameters. Local plastic manufacturers even urged the Government's intervention in the domestic polymer markets on the back of the rising cost of raw materials.

## Performance of our verticals

In the Packtech segment, the unhealthy price-cutting by our competitors continued this year as well. Like last year, we continued our approach of strategic pricing to win our customers back. We took consistent steps to stabilise our pricing strategy as far as possible. In the Agritech segment, the stable performance continued and was able to achieve a reasonable growth in revenues. However, in the Protech and Buildtech segments, last year's subdued performance continued due to the near-standstill of infrastructure and construction projects during the year.

We take pride in being listed as a vendor (supplier) on most government-listed bids. In addition, we are also empanelled as a vendor for the supply of anti-hail nets, besides being in discussion with various government bodies to supply agri-nets.



## Overcoming challenges and optimising opportunities

During the year, our focus remained on leveraging the COVID-19 crisis as an opportunity to strengthen our capabilities. We remained confident of our ability to emerge from this crisis even stronger. While we continued to supply to our existing customers and retained them by servicing them to the best of our capabilities, we also maintained our target of adding more customers.

We utilised the opportunity to identify more geographies that we can tap to expand the addressable market. In exports, we re-emphasised our focus on the UK and Africa, as demand for our products grew in these countries.

Adding new customers in the export market continued to be a key area of emphasis. During the year, we added three new customers in the United Kingdom. We supplied anti-bird nets to JFH Horticulture Supplies, sold debris nets to Rollathene Ltd, and received another order from Delta Corp.

We constantly endeavoured to put our customers at the centre of all our efforts and to make them safer and happier.

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Amidst the lockdown, our focus remained on coming up with new ways to grow the distribution network. We leveraged the opportunity by tapping the e-commerce route to serve our customers better. During the year, we also increased our efforts to supply products using online channels. Our products have been placed on the e-commerce channel of Amazon.

## Introducing process automation

As mentioned in our earlier communication, we continued our efforts on innovation and technology. Our conviction led us to enhance the level of automation within the company and gain better control over quality, while also optimising the costs. Our determination to be a responsible business reflects in our energy-efficient and sustainable processes. We gained manufacturing excellence by revamping our entire manufacturing operations. We replaced or enhanced many of our existing machines with newer, tech-enabled machines or parts.

During this year under review, we completed the automation of our bagging machine plant. This helped us move further towards making our processes smarter, increasing quality output, decreasing production time and powering a holistic digital experience. Besides saving labour cost, this helped eliminate processes like cutting, checking, inserting and stitching.

We acquired four new plants during the year – PE liner machine, warping machine, high-speed warp raschel knitting machine and rooftop-mounted grid solar plant.

In a major development of an otherwise challenging year, we continued on our journey to achieve total mechanisation of the Packtech division. We also continued our focus on reducing dependency on contract labour, whose availability became uncertain due to the current times. The automatic taping machine continues to run effectively.

Currently, we are in the process of adding a new printing machinery to the manufacturing chain and a reprocessing plant, which will introduce the efficiency of raw material, cost and operations.

Our investments in R&D are driving growth for the company. Innovative products such as fog catcher nets, fencing nets, wind shield nets in the Protech segment are in advanced stages of research. Fire-resistant nets, manufactured with a fire-resistant fabric, are also undergoing research.

## Towards Atmanirbhar Bharat

Our pragmatic and cautious approach helped us endure the tough times. Amidst an unusually changed landscape, we also renewed our commitment to serve the needs of our customers. It is our pragmatic approach that gives us the confidence that when market conditions rebound, our solid foundation will see us advantageously into the future.

The agricultural sector's resilience is also an optimistic sign, as it will generate additional demand for the Agritech segment. We stand to gain from government-led initiatives that promote technical textiles, such as the launch of the National Technical Textiles Mission. The Mission has mandated the use of technical textiles across several end-user industries. Besides, our partnerships with agriculture universities help us to promote awareness about the science behind our products. We also expect a rise in interest from global technical textile players to partner with Indian manufacturers.

Besides exports, another key area of growth for the company will be contract manufacturing. With growing opportunities in this segment, we intend to explore them to the fullest in the years ahead.

# IN CONCLUSION

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Amidst all the disruption and economic fallout, there is an opportunity for India to grab overseas (export) market share. The country is being seen as an alternate manufacturing destination in Asia. Global corporations across the world are looking to de-risk and diversify their supply chains or relocate their manufacturing hubs to more responsible, transparent and democratic country bases. In these circumstances, we renew our commitment to collaborate for the greater good of our stakeholders and our nation.

I would also like to take this opportunity to express our appreciation to our employees who, individually and collectively, make us a better and stronger organisation. We look forward to the steadfast support of our customers, business partners, bankers and shareholders, as we continue our path of sustainable growth and value creation.

Thank you for believing in us and being a part of our journey!

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Regards,

**Abhishek Patel**  
**Managing Director**

## RISHI TECHTEX LIMITED

CIN: L28129MH1984PLC032008

Registered Office: 612, Veena Killedar Industrial Estate, 10-14 Pais Street, Byculla (West),

Mumbai - 400 011 (T) – 022-23075677/23074585 (F) – 022-23080022

Email: info@rishitechtextex.com Web: www.rishitechtextex.com

### NOTICE

NOTICE is hereby given that the Thirty Seventh Annual General Meeting of the Members of Rishi Techtex Limited will be held Monday, 20th September, 2021 at 11.00 a.m. through Video Conferencing ('VC') / Other Audio Visual Means ('OAVM') to transact the following business:

#### ASORDINARYBUSINESS:

- 1 To receive, consider and adopt the audited financial statements of the Company for the financial year ended 31st March, 2021 and the Report of the Board of Directors and Auditors thereon.
- 2 To appoint a Director in place of Mr. Pranav Patel (DIN 00171387), who retires by rotation and being eligible offers himself for re-appointment.

Date: 13.08.2021

By order of the Board

Place: Mumbai

**For Rishi Techtex Limited**

#### Registered Office:

612 Veena Killedar Industrial Estate, 10/14, Pais Street, Byculla (W), Mumbai-400011.

**Gauri Gangal**  
Company Secretary

Company. However, since this AGM is being held pursuant to the MCA Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.

3. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the EGM/AGM will be provided by CDSL.
4. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Act.
5. The Members can join the EGM/AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the EGM/AGM through VC/OAVM will be made available to atleast 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the EGM/AGM without restriction on account of first come first served basis.
6. Institutional / Corporate Shareholders (i.e. other than individuals / HUF, NRI, etc.) are required to send a scanned

### NOTES:

1. As you are aware, in view of the continuing Covid-19 pandemic, the Ministry of Corporate Affairs ("MCA") has vide its circular dated May 5, 2020 read with circulars dated April 8, 2020 and April 13, 2020 and General Circular No. 02/2021 dated January 13, 2021 (collectively referred to as "MCA Circulars") permitted the holding of the Annual General Meeting ("AGM") through VC / OAVM, without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 ("Act"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and MCA Circulars, the AGM of the Company is being held through VC / OAVM. The Registered Office of the Company shall be deemed to be the Venue for the AGM.
2. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the



copy (PDF/JPG Format) of its Board or governing body Resolution/Authorization etc., authorizing its representative to attend the AGM through VC / OAVM on its behalf and to vote through e-voting. The said Resolution/Authorization shall be sent to the Scrutinizer by email through its registered email address to askus@kalamkarassociates.com.

7. In case of the Joint holders attending the 37th AGM, only such joint holder who is higher in the order of names will be entitled to vote.
8. As per Regulation 40 of SEBI Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from, April 1, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and also for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company or Company's Registrars and Transfer Agents, Adroit Corporate Services Private Limited for assistance in this regard.
9. To support the 'Green Initiative', Members who have not yet registered their email addresses are requested to register the same with their DPs in case the shares are held by them in electronic form and with Adroit Corporate Services Private Limited in case the shares are held by them in physical form.
10. Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone/ mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc., to their DPs in case the shares are held by them in electronic form and to Adroit Corporate Services Private Limited in case the shares are held by them in physical form.
11. Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to the Company or Adroit Corporate Services Private Limited, the details of such folios together with the share certificates for consolidating their holdings in one folio. A consolidated share certificate will be issued to such Members after making requisite changes.
12. In compliance with the aforesaid MCA Circulars and SEBI Circular dated May 12, 2020, Notice of the AGM along with the Annual Report 2020-21 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. Members may note that the Notice and Annual Report 2020-21 will also be available on the Company's website [www.rishitechtext.com](http://www.rishitechtext.com), websites of the Stock Exchange i.e. BSE Limited at [www.bseindia.com](http://www.bseindia.com), and on the website of CDSL.
13. Members can avail nomination facility in terms of extant legal provisions in this regard. On request, the necessary Form SH-13 can be obtained from the R & T Agents.
14. Since the AGM will be held through VC / OAVM, the Route Map is not annexed in this Notice. The deemed venue for the 37th AGM shall be the Registered Office of the Company.
15. The Register of Members and Share Transfer Books of the Company will remain closed from 14.09.2021 to 20.09.2021 (both days inclusive).
16. At the Thirty Fourth AGM held on September 28, 2018 the Members approved appointment of M/s Attar & Associates, Chartered Accountants (Firm Registration No. 116443W) as Statutory Auditors of the Company to hold office for a period of five years from the conclusion of that AGM till the conclusion of the Thirty Eighth AGM, subject to ratification of their appointment by Members at every AGM, if so required under the Act. The requirement to place the matter relating to appointment of auditors for ratification by Members at every AGM has been done away by the Companies (Amendment) Act, 2017 with effect from May 7, 2018. Accordingly, no resolution is being proposed for ratification of appointment of statutory auditors at the Thirty Seventh AGM.
17. Particulars required for appointment/ Re-appointment of Director pursuant to sub-regulation (3) of Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and as per Secretarial Standard – 2 are annexed to the Notice.



Mr. Pranav Patel (DIN 00171387) shall retire by rotation at the forthcoming Annual General Meeting (AGM) and being eligible offers himself for re-appointment. He is presently the Managing Director of MPD Industries Pvt. Ltd. He is holding Directorship in one listed Company, Rishi Techtex Limited and holds 1767 shares in the Company.

18. Any person, who acquires Shares of the Company and become Member of the Company after dispatch of the Notice and holding Shares as on the cut-off date for remote E-voting i.e. Monday, 13th September, 2021 may follow the same instructions as mentioned below for E-voting.
19. MCA circular no. 02/2021 dated January 13, 2021, provides that in continuation of the Ministry's General Circular No. 20/2020 dated 5th May, 2020 and after due examination, it has been decided to allow companies whose AGMs were due to be held in the year 2020, or become due in the year 2021, to conduct their AGMs on or before 31.12.2021 in accordance with requirements provided in paragraphs 3 and 4 of the General Circular No.20/2020. Hence, the ensuing AGM is being scheduled to be held in compliance with above circular.
20. All documents referred to in the Notice shall be made available for inspection by the Members of the Company, without payment of fees upto and including the date of AGM. Members desirous of inspecting the same may send their requests at info@rishitechtext.com from their registered e-mail addresses mentioning their names and folio numbers / demat account numbers. During the AGM, the Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act and the Register of Contracts or arrangements in which Directors are interested maintained under Section 189 of the Act shall be made available for inspection.
21. Voting through electronic means (Remote E-Voting):
  1. In compliance with the provisions of Section 108 of the Companies Act, 2013, read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended, and as per Regulation 44 of the SEBI (Listing Obligations and Disclosure requirements) Regulations, 2015, the Company is

pleased to provide its Members the facility to cast their vote by electronic means i.e. remote e-voting, through the e-voting services provided by Central Depository Services (India) Limited ("CDSL") on all resolutions set forth in this Notice.

2. The voting period begins on Thursday, 16th September, 2021 at 9.00 a.m. and ends on Sunday, 19th September, 2021 at 5.00 p.m. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 13th September, 2021, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
3. The Members who have not casted their vote by remote e voting prior to the Annual General Meeting ("AGM") can exercise their voting rights at the AGM. The Members who have already exercised their right to vote by remote e-voting may also attend/ participate in the AGM through VC / OAVM but shall not be entitled to vote at the AGM.
4. The voting right of shareholders shall be in proportion to one vote per fully paid equity share of the Company held by them as on the cut off date viz. 13th September, 2021.
5. A person, whose name is recorded in Register of Members or in the Register of Beneficial Ownership maintained by the RTA/Depositories, as the case may be, as on the cut-off date only shall be entitled to avail the facility of remote e voting or voting at the AGM. Any person who has ceased to be the member of the Company as on the cut-off date will not be entitled for remote e voting or voting at the AGM and should treat this Notice for information purpose only.
6. Once the vote on resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
7. Sudhanwa S Kalamkar & Associates, Practicing Company Secretary (Membership No.18795, CP No.7692) has been appointed by the Board of Directors of the Company, as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.

8. The Scrutinizer shall, immediately after the conclusion of voting at the general meeting, would count the votes cast at the meeting, and make not later than 48 hours of conclusion of the meeting a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing who shall countersign the same.
9. The results declared along with the Scrutinizer's Report shall be placed on the website of the Company [www.rishitechtext.com](http://www.rishitechtext.com) and on the website of CDSL [www.cdslindia.com](http://www.cdslindia.com) immediately after the result is declared and shall be simultaneously forwarded to Bombay Stock Exchange Limited.
10. The Procedure and Instructions for Remote e-voting are as under:
  - (i) Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

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

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

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

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

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



Type of shareholders	Login Method
Individual Shareholders (holding securities in demat mode) login through their Depository Participants	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option.</p> <p>Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature.</p> <p>Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p>

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

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

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with CDSL	<p>Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a></p> <p>or contact at 022- 23058738 and 22-23058542-43.</p>
Individual Shareholders holding securities in Demat mode with NSDL	<p>Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30</p>

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

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



- (iii) After entering these details appropriately, click on "SUBMIT" tab.
- (iv) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (v) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (vi) Click on the EVSN for the Company viz. RISHI TECHTEX LIMITED on which you choose to vote.
- (vii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (viii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (ix) After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (x) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xi) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xiii) Facility for Non – Individual Shareholders and Custodians – Remote Voting
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves in the "Corporates" module.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
  - The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
  - Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; [askus@kalamkarassociates.com](mailto:askus@kalamkarassociates.com), if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

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

1. The procedure for attending meeting & e-Voting on the day of the AGM/ EGM is same as the instructions mentioned above for Remote e-voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for Remote e-voting.
3. Shareholders who have voted through Remote e-Voting will be eligible to attend

the meeting. However, they will not be eligible to vote at the AGM/EGM.

4. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
6. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
7. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast 7 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at (company email id). The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance 7 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at (company email id). These queries will be replied to by the company suitably by email.
8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
9. Only those shareholders, who are present in the AGM/EGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the EGM/AGM.
10. If any Votes are cast by the shareholders through the e-voting available during the EGM/AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

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

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to Company/RTA email id.
2. For Demat shareholders -, Please update your email id & mobile no. with your respective Depository Participant (DP)
3. For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.
11. If you have any queries or issues regarding attending AGM & e-Voting from the e-Voting System, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact Mr. Nitin Kunder (022-23058738 ) or Mr. Mehboob Lakhani (022-23058543) or Mr. Rakesh Dalvi (022-23058542)..
12. All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL, ) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call on 022-23058542/43.

Date: 13.08.2021  
Place: Mumbai

By order of the Board  
**For Rishi Techtex Limited**

**Registered Office:**  
612 Veena Killedar  
Industrial Estate,  
10/14, Pais Street,  
Byculla (W),  
Mumbai-400011.

**Gauri Gangal**  
Company Secretary

## ANNEXURE – 'A'

Details of directors seeking appointment or re-appointment and /or fixation of their Remuneration at the ensuing Annual General Meeting (Pursuant to SEBI listing regulation and Secretarial Standard SS-2)

Name of Director	Mr. Pranav Patel - (DIN 00171387)
Age	52 years
Date of First Appointment on the Board	15.09.2001
Expertise in Specific functional areas	Expertise in Business and Administration related matters
Qualifications	Commerce Graduate.
Terms and condition of appointment / re-appointment	Not Applicable
Remuneration last drawn by such person, if applicable	Rs. 5000/- towards sitting fees for the Financial Year ended March, 2021
List of Outside directorship held excluding alternate directorship	Nil
Chairman / Member of the Committees of the Board of Directors of the Company	Member of Nomination and Remuneration Committee, Stakeholders Relationship Committee and Finance Committee
Chairman / Member of the Committees of the Board of Directors of other companies in which he/she is a director	NIL
No. of Equity shares held in the Company	1767
No. of Board Meetings attended during FY 2020-21	2
Relationship with other Directors, Manager and other Key Managerial Persons of the Company	NIL

\*Excludes Directorships in Private Companies.

\*Excludes Membership/ Chairmanship of committees in Private Companies.

Date: 13.08.2021

Place: Mumbai

**Registered Office:**

612 Veena Killedar  
Industrial Estate,  
10/14, Pais Street,  
Byculla (W),  
Mumbai-400011.

By order of the Board  
**For Rishi Techtex Limited**

**Gauri Gangal**  
Company Secretary



# Key numbers that define Rishi Techtex



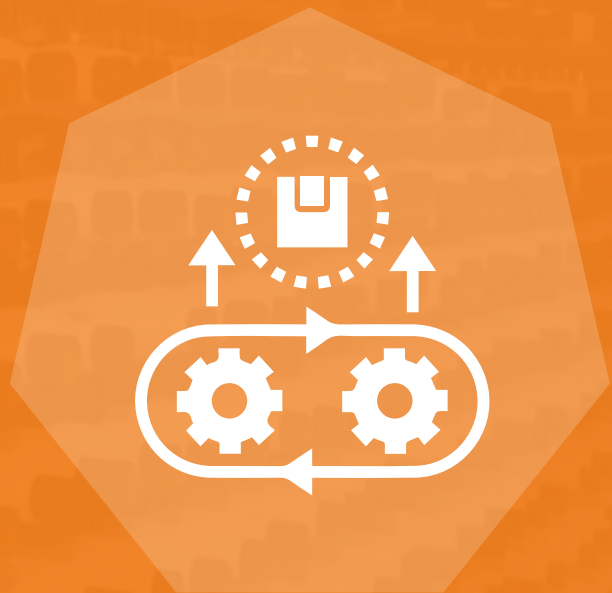
**40 million**

sq. metres

Shade net supplied till date

**4**

business verticals



**12,300**

metric tonnes

Aggregate manufacturing capacity

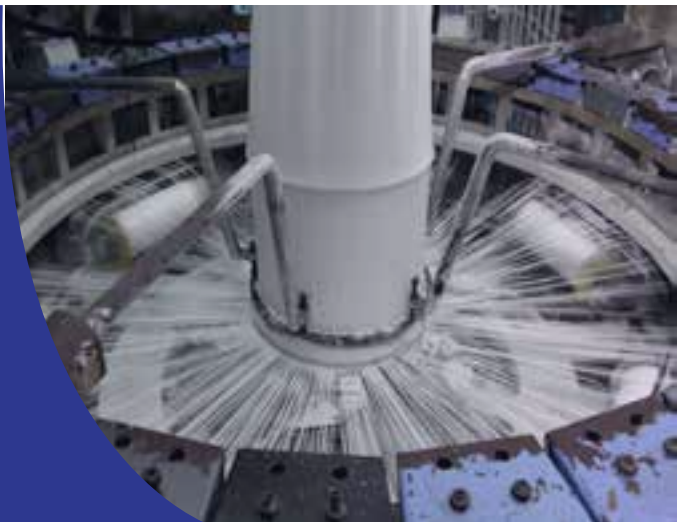


# Creating value for our stakeholders by

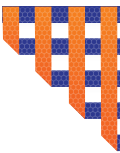


Providing superior technical textile solutions through advanced science & technology and continuous innovation.

Enabling business excellence through responsible performance and prudent investments.

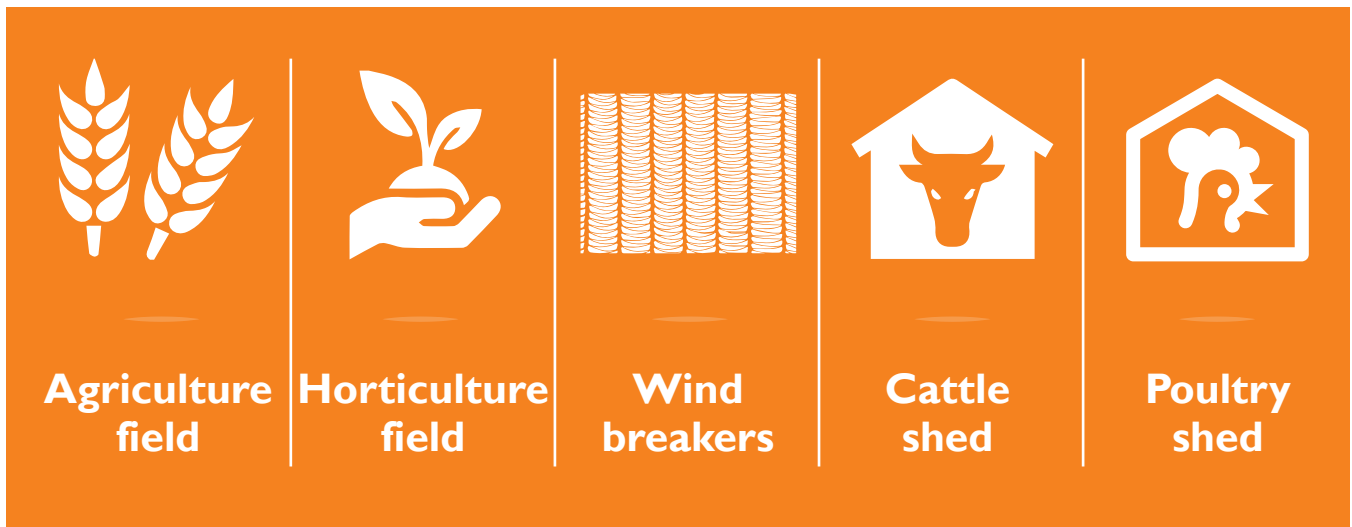


Fair and transparent employee relations.



# Where do we serve

## Shade Nets



## Woven Bags

Packaging material for fertilisers, cement, plastic polymers, bale coverings and salt.



## What industries do we serve



# Key Business Verticals

We manufacture polypropylene and high-density polyethylene woven fabrics and sacks under the Woven Division. In addition, we also manufacture Shading Nets under our Knitted Division.



## AGRITECH

### Description

We supply customised shade nets, weed mats, crop covers, bird protection nets and windbreakers, among others.

## PACKTECH

### Description

We serve the packaging industry through packaging solutions and sustainable products targeted at industrial and retail sectors. For example, raschel bags and woven sacks.



## PROTECH

### Description

In this segment, we supply products and solutions that provide safety and lasting protection. For example, fencing nets, wind shield nets and fire-resistant nets manufactured with heavy fire-resistant fabric.

## BUILDTECH

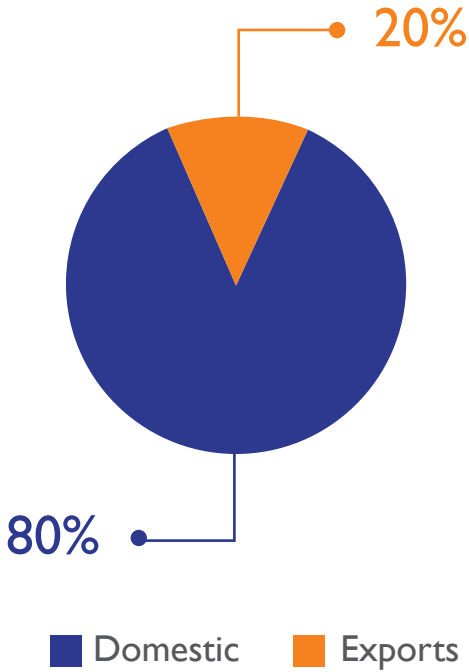
### Description

Our Buildtech products are used for concrete reinforcement, façade foundations, interior construction, noise reduction, visual protection and protection from sunlight and rains.



# Our Growing Presence

## Geography-wise Revenue Break-up

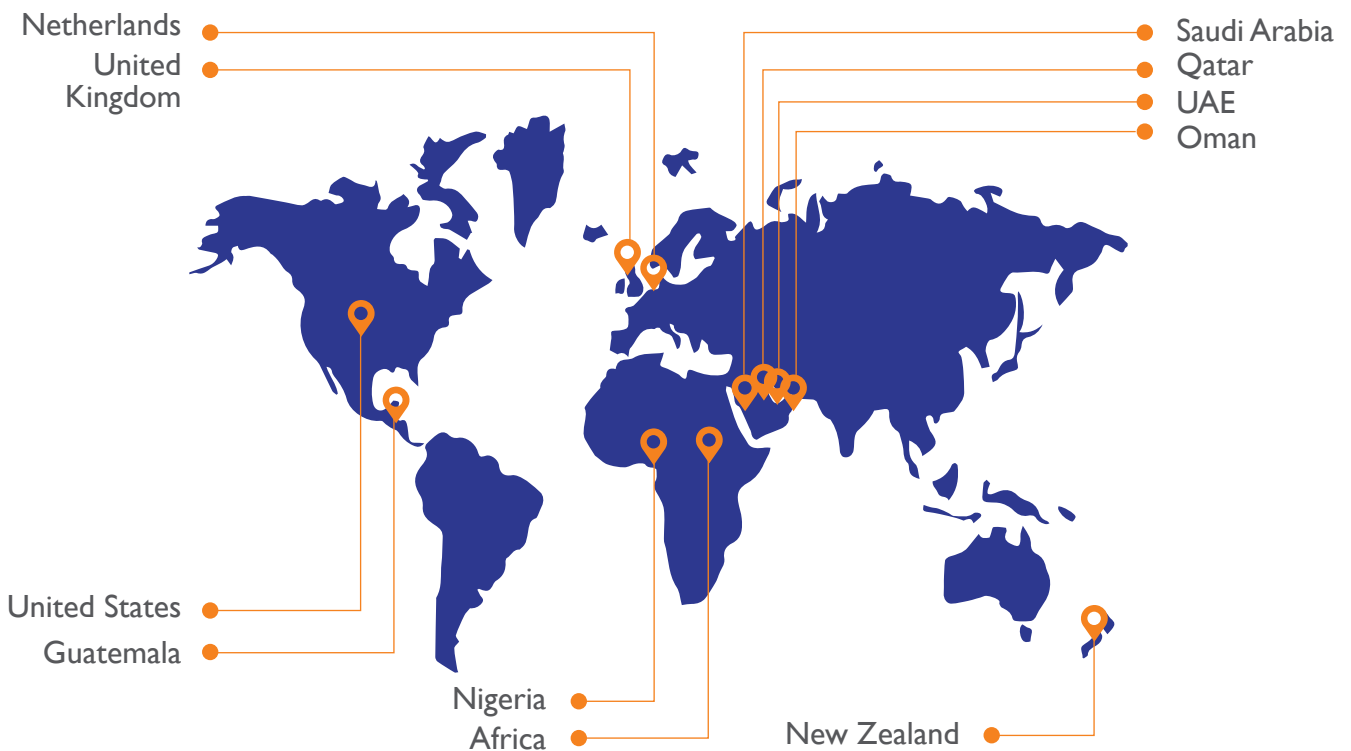


## Our national presence



## Our overseas presence

We export our products to United States, Netherlands, New Zealand, UAE, Saudi Arabia, Oman, Qatar, Africa, United Kingdom, Nigeria and Guatemala.



# What Differentiates Us In The Marketplace

Our competitive market advantages and key differentiators helped us balance growth and create long-term value for our stakeholders. We leverage these to strategically position the Company within the industry.

## 6 Above-average financial risk profile

Above average financial risk profile, healthy debt protection metrics, moderate working capital requirement, comfortable gearing and total outside liabilities to net worth ratios.

## 5 Stringent quality control

Strict quality control with extensive inspection equipment and quality assurance, resulting in enhanced quality from product design to retail supply stage, designed to ensure every product exceeds industry standards.

## 4 Expanding dealer network

Improved distribution reach network in existing geographies with quality channel partners.

## Wide industry experience 1

Long-standing presence, promoter's extensive experience in the technical textile industry, in-depth understanding of markets and wide experience of three decades.

## Augmented manufacturing proficiencies 2

A total of 5,650 sq. metres manufacturing facility at Daman, Daman and Diu; Increasing capacities and enhanced technical staff, helping deliver competitive products.

## Healthy customer relationships 3

Healthy and strong relationships with customers and suppliers over the years; increasing key clientele through supply of quality products.



# Our Certifications



# Our Diversified Clientele



# Responding With Resilience. Stimulating Opportunities.

As the world grappled with the human and economic crisis, our resilient business and strong business model remained well prepared to meet extraneous challenges. During these tough times, we strengthened our capabilities to understand demand shifts and cater to evolving consumer needs.

The outbreak of COVID-19 pandemic highlighted the need to demonstrate agility and a nimble supply chain. There was a need for a supply chain that can be dynamically managed to cater to the external challenges. During these uncertain times of the pandemic, we looked beyond recovery and embraced the crisis as an opportunity to craft a different and better future.

## **A** Gaining manufacturing excellence

We undertook a revamp of our manufacturing capabilities and continued our effort to change the entire manufacturing proficiency with better and more efficient machines. We also automated the entire bagline process and system. This provided us with cost and operational efficiency. We are also adding a new printing machinery to the manufacturing chain. The addition of the reprocessing plant will also help add raw material efficiency.

## **B** Growing exports

Amidst the challenging circumstances, we identified further geographies to grow our addressable market. We emphasised our focus on the exports business by leveraging the rising opportunities in some of our key markets, including Africa and United Kingdom. We also focused better on other European markets. Further, as supply chain was affected and the domestic market slowed down owing to the pandemic, we also explored the e-Commerce channel to supply our products to the customers.

## **C** Adapting smarter ways of working

Our integrated manufacturing capability gives us economies of scale, making us even more competitive in the marketplace. We are also improving our cost efficiency through agile and efficient capacity utilization. The bagging process too has been fully automated. These automated processes in the manufacturing plant are well capacitated to satiate the growing demand for technical textiles in India. Further, our labour force is also becoming efficient and lean.

## **D** Enduring client relationships

Our high-quality products, sophisticated manufacturing capacities, and innovation-driven value-added capabilities helped develop multi-year relationships with customers in domestic and overseas markets. We also strengthened our supplier channels to mitigate supply chain disruptions caused by the pandemic. Our focus remained on retaining our existing customers by serving them effectively, despite facing supply chain challenges and competitive pricing. Our key focus on holistic supply and product customisation remained.



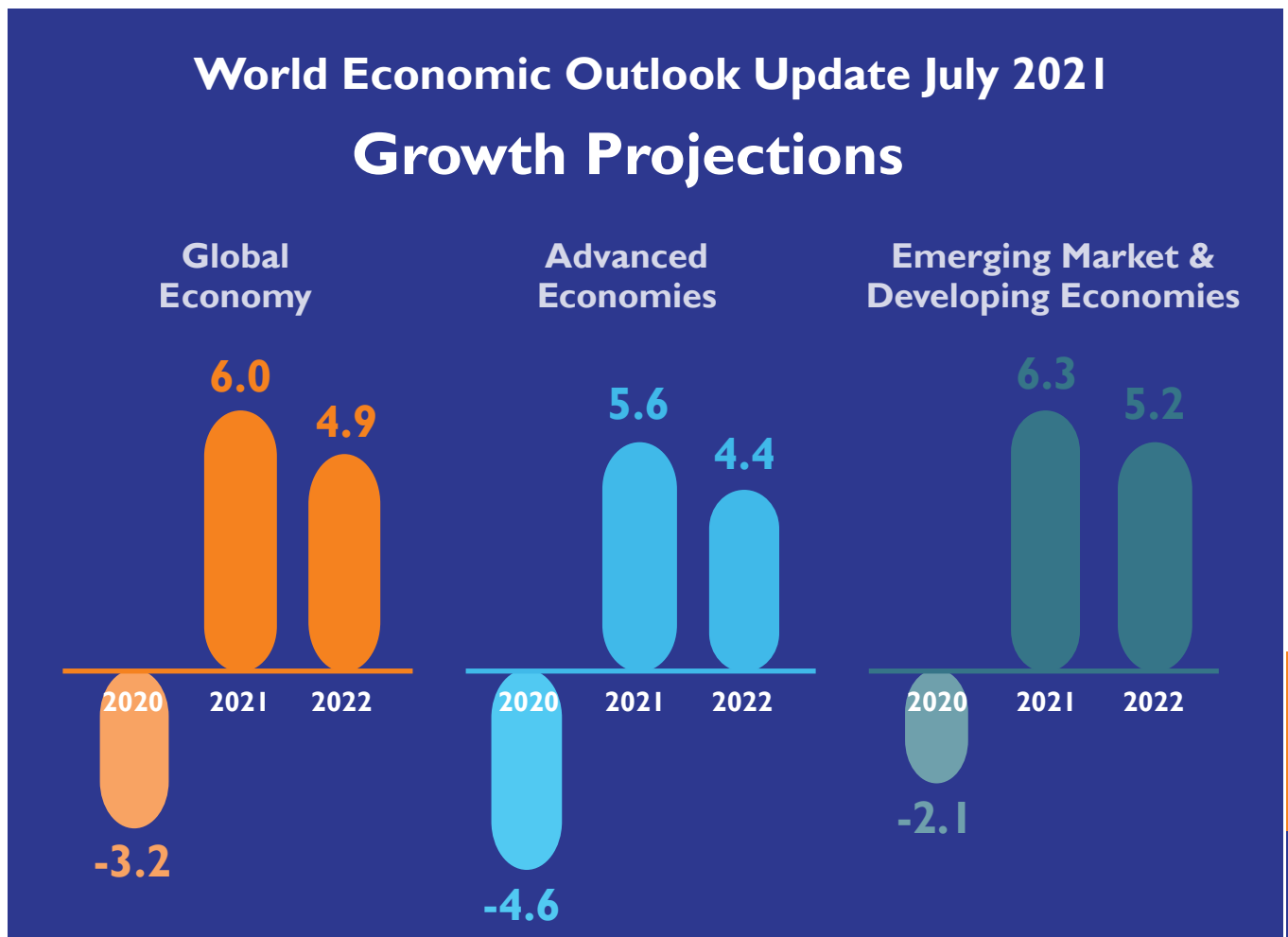
# Management Discussion & Analysis

## ECONOMY OVERVIEW

### Global economic growth

The CoronaVirus (COVID-19) pandemic left national economies counting the costs, as governments struggle with new lockdown measures to tackle the spread. Despite the development of vaccines, the second wave of infections posed serious downside risks to economies and heightened the possibility of business disruptions.

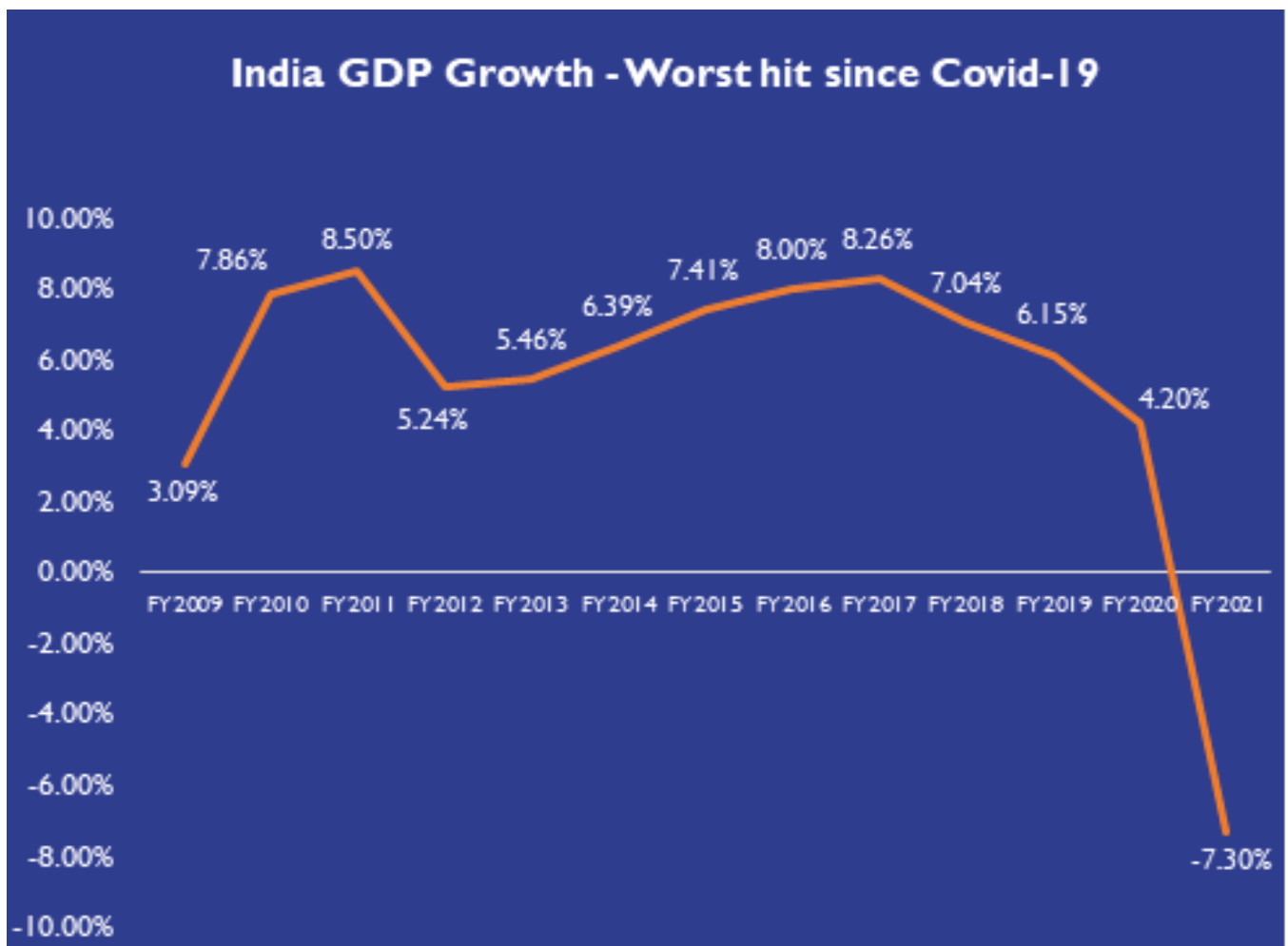
According to the International Monetary Fund's (IMF) World Economic Outlook – April 2021, the global economy contracted 3.2% during 2020. Although the contraction of activity in 2020 was unprecedented, extraordinary policy support prevented even worse economic outcomes. The global economy is projected to grow by 6% in 2021, moderating to 4.9% in 2022, reflecting additional fiscal support in a few large economies, the anticipated vaccine-powered recovery and continued adaptation of economic activity to subdued mobility.

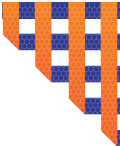


# India economic growth

The Indian economy was also adversely impacted by the COVID-19 pandemic that shook the world. Despite India being ahead of most countries in announcing a near-total nationwide lockdown and implementing work from home measures, job and earning deficit, and free fall of employment, along with instability in prices, was expected. The pandemic came with uncertainty and implications on all aspects of businesses. The government announced a relief package of Rs 1.7 trillion, with additional support coming in from state governments and NGOs, which widened the radius of the aid.

During FY 2020-21, the Indian economy is estimated to have contracted by 7.3%, as per the data released by the National Statistical Office. Moving ahead, IMF has slashed India's economic growth forecast to 9.5%, from 12.5% for FY2021-22. The revision in growth forecast reflects an important "extent differences" in COVID-19 developments, as the highly contagious Delta variant is becoming dominant across the world. Lack of access to vaccines and renewed waves of COVID-19 cases in India led to the downgrade. However, IMF has upgraded the projection for FY2022-23 to 8.5%, from the earlier 6.9%.





# COVID-19 and AtmaNirbhar Bharat

As an umbrella support to the economy battling with the pandemic and the lockdown, the government announced a Rs 20 lakh crore all-inclusive stimulus package called “AatmaNirbhar Bharat”. Equating to 10% of the GDP, this has been one of the biggest relief packages announced. The package is focussed on land, labour, liquidity and laws and will cater to the industries, MSMEs, labourers, middle class, urban and rural poor. It has offered tax breaks for small businesses as well as incentives for domestic manufacturing. Despite all the strategies and support, under the current environment, a mid-term growth forecast is completely dependent on movement of the virus curve and time taken to flatten the curve.

## Industry Overview

During the year, plastic prices were in the midst of a dramatic rally, driven by a combination of rebounding global consumer demand and production outages from the Texas freeze. Export prices of plastic in the United States nearly doubled to a record high of US\$ 1,625 a tonne over the past year. Prices of Polypropylene, used for packaging consumer goods, stood at record levels and more than doubled their 2019-2020 average. The cost of high density poly-ethylene was at its highest since 2008.

The United States has become the world’s biggest exporter of plastic in recent years. During the year, the plastics industry in the United States struggled to rebound from back-to-back hurricanes in 2020. The supply shortfall had a knock-on effect both domestically and around the world. The supply constraints came as the US government unleashed a new round of stimulus and demand for consumer goods surged. The increase in prices showed up in the real economy too.

Plastic is a major construction material used for shade nets and agro nets. The industry faced acute shortage of polymers, the main raw material for plastic goods production. The increase in raw material costs and its shortage in the market led to escalation in project cost. This adversely impacted cost competitiveness of companies.

# National Technical Textile Mission

During the year, the Government approved the proposal for the creation of National Technical Textiles Mission for a period of four years. The focus of this mission is to develop usage of technical textiles in various flagship missions and programmes of the country, including strategic sectors. It also supports the 'Make in India' initiative, promoting domestic manufacturing of related machinery and equipment.

To increase penetration level of technical textiles in India, while leveraging the extraordinary growth rate of the sector, the Ministry of Textiles has launched the National Technical Textiles Mission. The aim of this Mission is to position India as a global leader in technical textiles. It also supports the 'Make in India' initiative promoting domestic manufacturing of related machinery and equipment. With this, India is poised to become a world leader in technical textiles. This special emphasis on infrastructure will create huge demand for technical textiles in the domestic market.



# COMPANY OVERVIEW

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## About Rishi Techtex Limited

Incorporated in 1984, Rishi Techtex Limited is a multi-product science-based technical textiles company with domestic and global customers. It is engaged in the manufacturing of plastic woven, sacks, and shade nets. The Company is listed on the Bombay Stock Exchange.

The product categories of the Company include Shade Nets and Woven Bags. We also manufacture polypropylene and high-density polyethylene woven fabrics and sacks under the Woven Division, and Shading Nets under the Knitted Division. We remain committed to satisfy our customers' needs by providing high-quality, cost-effective protection solutions through use of PE knitted fabrics, protection nets and shade fabrics. Our objective is to become one of top global manufacturers of PE knitted fabrics and shade nets.

The Shade Nets produced by the Company are utilised in the fields of agriculture, horticulture, wind breakers, cattle shed and poultry shed. Woven Bags are utilised as packaging material in several industries including fertilisers, cement, plastics polymers, chemicals, bale coverings and salt.

The Company exports its products to United Kingdom, Middle East, Central America, Portugal, Africa, Australia and New Zealand. During the year, three new customers in the United Kingdom were added. The Company supplied anti bird nets to JFH Horticulture Supplies, sold debris nets to Rollathene, and received another export order from Delta Corp in UK.

As a part of its diversification plan in 2015, the Company commenced a new initiative for "Plastics in Agriculture & Technical Textiles" by setting up the Knitted Fabrics division. Today, it is the leading company in India for Shade and Protection Nets with 50% share in the Indian market. It has a reputed Brand "KrishiNet" and an excellent dealer network channel for its sales.

# Business Segments

The Company's segment-wise revenue is segregated under the following heads:



**Agritech**



**Packtech**



**Protech**



**Buildtech**

## Manufacturing Capabilities

The Company currently operates its manufacturing facility at Daman, Daman and Diu, with state-of-the-art equipment and facilities. The facility has a total floor area of 5,646 sq. metres. The efficient and mechanised plants produce world-class nets. All facilities of the Company have received proper certification. It has established a long-standing industry reputation for lending a competitive advantage to the customers. This has been possible by virtue of its superior quality of products, integration of advanced technology-driven efficiencies in the manufacturing processes and a culture of continuous innovation. It continues to strengthen its internal manufacturing processes and is known for its ability to manufacture world-class technical textiles.

### Manufacturing Capacity

HDPE/PP Woven Fabrics	1,400 MT
Woven Plastic Bags	4,700 MT
Warp Knit Fabrics (Agro Shade Net)	5,600 MT
Mono Filament Yarn	600 MT
<b>Total</b>	<b>12,300 MT</b>

### Plant and Machinery added

Machine	Purchased from
PE Liner Machine (automated)	Cirwind Packaging Machinery
Warping Machine	Pinnacle International
High Speed Warp Raschel Knitting Machine	Changzhou Jordan International Trading Co. Ltd.
Roof Top Mounted on Grid Solar Power Plant	Prayosha Solar Pvt. Ltd.

# Key Developments during FY2021

The Company acquired a new facility (machine) for roll movement during the year, which was manually handled by multiple people. A high-speed Warp Knitting Machine was also imported from China, which provided 40% higher output compared to the existing machines. After ironing out the issues with imported machines, more machines will also be ordered. This will help the Company in significantly improving its output, while also optimising on space.

A new solar plant was installed to reduce consumption of electricity within the manufacturing facility. The recycling plant is environment friendly, saves power and reduces wastage of plastic.

During the year, the Company commenced the process of setting up virtual meetings with buyers and suppliers. It also installed the necessary systems required, including a large screen television, video conferencing camera and a microphone.

## Financial Review

During the Financial Year of 2020-21, the Total Income of Rishi Techtex Limited was recorded at Rs 8,122.45 lakhs, compared to Rs 7,663 lakhs in FY2021. This indicated a marginal increase of 6% in the previous fiscal year. Profit Before Tax stood at Rs 60.06 lakhs, as against Rs 221.54 lakhs in the previous year owing to fixed costs. Operating Profit Margin was 6.13% vis-à-vis 7.97% in FY2020. Net Income was Rs. 41.88 lakhs compared to Rs 99.66 lakhs in the earlier year, which translated into a Net Profit Margin of 0.74%, lower than 2.91% in FY2020.

Gross Revenue of Rs 8,106.80 lakhs included domestic sale of Rs 6,533.10 lakhs and exports of Rs 1,573.69 lakhs. Total exports at 971.59 MT increased 21.2%, compared to 801.86 MT in FY2020. Exports to UAE, Saudi Arabia and Qatar contributed the highest to Total Revenue, besides reporting a YoY increase.

During a year which was challenging from all sides, demand stood impacted for all verticals. Demand for Buildtech products continued to see a contraction as the industry was impacted by COVID-19. The Packtech segment continued to suffer due to aggressive pricing strategies and unhealthy price cutting practices. The Company's automation and manufacturing efficiencies helped in matching the pricing margins to a good extent.

# COVID-19 - Impact on Operations

FY2020-21 has been challenging for Rishi Techtex for a number of external factors. This included the economic slowdown, worldwide spread of COVID-19 and commodity price fluctuations in the international market. However, it managed to battle the crisis by leveraging its strong long-term relationships with customers. Also, it strengthened its supplier channels to mitigate supply chain disruptions caused by the pandemic. The Company did not lose any customer despite industry headwinds. In fact, it continued to explore new markets and customers, keeping in view its future growth. The Company has invested funds over the last couple of fiscal years in various manufacturing plants for technology and process upgradation.

## Key Strategies – Going Forward

During the year, the Company took several strategic steps to overcome the challenging market situation and gain resilience. Today, it remains confident that its mindful business strategies will place it advantageously to bounce back from the crisis and emerge as a stronger company. It has implemented several measures on rationalising costs, automating processes and expanding the market.

With exports growing and contributing significantly to total revenue, it maintained a key focus on adding more customers for export. During the year, it added three new customers in the United Kingdom. It supplied anti bird nets JFH Horticulture Supplies, sold debris nets to Rollathene, and received another order from Delta Corp, all based in UK.

Its key focus remains to gain agility and nimble-footedness to achieve long-term sustainability. Its future vision continues to be based on a strong belief on India's growth story. With an undeterred focus, it continues to explore opportunities that come up during the downturn to gain further market share, acquire new capabilities and emerge as one of India's most valuable companies.





# Future Outlook

During the current situation, the Company's business was impacted by a slump in construction and agriculture sectors. The spread of COVID-19 and the related nationwide lockdown made operations even more difficult. Surviving this crucial time and strategizing the future remains a prime focus.

Moving ahead, a key area of growth will be contract and client-specific manufacturing, with growing opportunities and abilities to serve localised requirements. This is expected to lead to revenue growth, while ensuring effective and optimal utilisation of plant capacity. This will also lead to elimination of costs on sales and marketing.

Further, agriculture-driven policies are likely to open up more opportunities for technical textiles. It will also leverage the benefits emanating from the Agriculture Infrastructure Fund (AIF). The Fund promotes the usage of global agricultural best practices and will generate demand for the sector.

In September 2020, the Government approved the proposal for creation of National Technical Textiles Mission. The Company hopes to explore further opportunities from this development. The key focus of this mission is to develop usage of technical textiles in various flagship missions and programmes, including strategic sectors.

Technical textiles have the potential to be used in agriculture, aquaculture, dairy, poultry, and in missions like Jal Jivan Mission, Swachch Bharat Mission and Ayushman Bharat. This is estimated to bring about an overall improvement in cost economy, water and soil conservation. It is also seen leading to better agricultural productivity and higher income to farmers per acre of land holding. Moreover, this will help promote manufacturing and export activities in India. Use of geo-textiles in highways, railways and ports will lead to robust infrastructure, reduced maintenance cost and higher life cycle of the infrastructure assets.

The Company will continue to avail further benefits under the Government-sponsored scheme for MSME manufacturers. It has conviction in its manufacturing and operational abilities to deliver results, and continues to seize opportunities when the market rebounds. In the meantime, it intends to complete its plant upgradation process depending on positive market dynamics and leverage on further opportunities.

# Technology

Technology upgradation is an integral part of every plant operation in order to maintain safety, energy efficiency and optimal productivity. In the last couple of years, the Company has taken up measures to upgrade plant operations as per digital technology. It has also implemented automation and process-optimisation initiatives. Further, low-cost automation has been introduced for the bagging machines.

The new machines for processing have significantly improved output quality and efficiency. They have simplified the existing process and saved on labour cost. It also saved on certain processes including cutting of printed rolls, checking of cut pieces, cutting of liner rolls, line insert in the woven sack and stitching of bags. The latest software solutions are used in the plants to optimise various parameters.

The Company will continue to invest in process automation. As it gradually moves towards higher automation, it will achieve enhanced standardisation of workflows and products. In the year under review, the bagging process achieved complete automation, making the Company one of the few manufacturers in India to achieve this.

Due to the Company's ERP system, it was able to implement #wfh and #wfa (work from home and work from anywhere) within the Company. Digitisation has been a key boon during the COVID-19 times, and the Company believes that Internet platform-based communication and discussion forums will be the key to employee engagement and productivity.



# Total Quality Management

The Company's manufacturing facility at Daman, Gujarat, applies step-by-step quality control programme designed to ensure that every product exceeds industry standards. Its extensive inspection equipment backed by quality assurance personnel ensures consistent good quality product. We have 300 employees including engineers and technical staff. The Company has recently been awarded under the QC 100 Total Quality Management Model, Quality Crown in the Gold category by Business Initiative Directions, Spain, towards its commitment for quality.



# Human Resource Management



The Company has implemented #Wfh for our employees. Virtual collaboration will be a key focus, going forward. Its manufacturing facility continues to follow all COVID-19 protocols and workplace safety, with health being a key priority. Its human resource practices continue to evolve and align themselves with growing business expectations.

The Company aims for holistic development of its human resources. A part of this is building capability by imparting top-notch technical domain knowledge. It strives to enhance the engineering and technical knowledge of its employees by collaborating with premier institutions. Its knowledge is further enhanced by on-the-job trainings in the respective areas and projects. The Company has implemented unique and customized technical competency development initiatives in its areas of focus.

# Risk Management

Considering the cyclical nature of the business, it is imperative to identify risks in advance and mitigate or curtail them within time. Keeping this in mind, the Company has adopted robust mechanisms and processes to identify and mitigate critical risks. It is working to safeguard itself from permanent capital loss and maintain long-term growth trajectory of business performance. These risks may be internal and external in nature. The Company has devised a robust risk management framework for a swift response and continuous monitoring.



# Health & Safety

While the focus continued on fiscal health of the Company, an equal attention was accorded to the mental and physical health and safety of the workforce. The Company implemented safety measures in various stages of plant operations. All its plants are well equipped with safety parameters in the systems and processes. Even during the pandemic, the health and safety of our employees remained a key priority.



All the guiding principles were followed to keep the workers safe, while the organisation prepared for increased uncertainty and long-lasting changes to the work environment. Sanitisation of work areas, regular screening and temperature check of all the employees, social distancing, wearing of masks and gloves was made mandatory.

In addition, all the employees are provided with personal protective gear and uniform as part of safety rules. Regular safety drive is undertaken within the plant premises to create awareness on safety measures and to maintain absolute safety within the plants.

# Internal Control Systems

The Company has a well-defined and adequate internal control system in place. This authorizes, records, and reports transactions to safeguard assets and protect against loss from unauthorized use or disposition. It also ensures the reliability of recorded data and financial information to maintain accountability of assets. These internal controls are supplemented by extensive internal audits, management review and documented policies, guidelines and procedures.



## Cautionary Statement

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Statements in this Management Discussion and Analysis describing the Company's objectives, projections, estimates and expectations may be 'forward-looking statements' within the meaning of applicable laws and regulations. Actual results might differ substantially or materially from the downtrend in the plastic industry, globally or domestic or both, due to significant changes in political and economic environment in India or key markets abroad, tax laws, litigation, labour relations, exchange rate fluctuations, interest and other costs.

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# Reports & Financials

# Director's Report

To,  
The Members,  
Rishi Techtex Limited,

Your Directors have pleasure in presenting their 37th Annual Report on the business and operations of the Company and the accounts for the Financial Year ended March 31, 2021.

## FINANCIAL SUMMARY OR HIGHLIGHTS/PERFORMANCE OF THE COMPANY:

(₹ in Lakhs)

Particulars	2020-21	2019-20
Total Income	8122.45	7663.00
Profit before Tax	60.06	221.54
Provision for Tax	18.18	121.88
Profit after Tax	41.88	99.66
Total Comprehensive Income for the period	42.26	98.97

### DIVIDEND:

To strengthen the cash flow of the Company, the Directors have not considered and recommended any dividend in the year.

### RESERVES:

As on March 31, 2021, the reserves and surplus has increased to Rs. 2068.36 lakhs as compared to Rs.1880.17 lakhs during the last year.

### COMPANY'S WORKING DURING THE YEAR:

The company earned total income of Rs.8122.45 lakhs as compared to Rs.7663 lakhs earned in the previous year showing increase of 6%. The operations during the year have resulted in a profit of Rs. 41.88 lakhs as compared to Rs.99.66 lakhs in previous year.

### MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT:

The COVID-19 pandemic has affected every industry, and has disrupted trade, supply chains, work and business models, employment and consumer behaviors. The Company is consciously committed to health and safety of all employees and other stakeholders. The ongoing global COVID-19 pandemic has caused and continues to cause significant loss of life and has resulted in curtailment of economic activities across the world as local administrations and governments seek to limit spread of the disease, including through lockdown policies, restriction on business activities and business shutdowns. Among other things, many of our Company's and its clients' offices have been closed and employees

have been working from home and many customer-facing businesses have closed or are operating at a significantly lower capacity to observe various social distancing requirements and government-mandated COVID-19 protocols. The Company will focus on Opportunistic growth in current environment to create a healthy project pipeline.

In the view of the management, there are no other material changes or commitments which may affect the financial position of the Company.

### CREDIT RATINGS:

Subsequent to the end of the financial year under review, the Company has received the following credit ratings from CRISIL vide letter dated 17th April, 2021.

Total Bank Loan Facilities Rated	₹ 26 Crore
Long- Term Rating	CRISIL BBB-/Stable.
Short-Term Rating	CRISIL A3.

### SIGNIFICANT AND MATERIAL ORDERS:

There have been no significant and material orders passed by the Regulators or Courts or Tribunals impacting the going concern status and the Company's operations in future.

The Members may re-collect that in the Directors Report previous financial year, your Directors placed details of litigation with Enforcement Directorate. The Company has denied all the charges and allegations levelled by the Enforcement Directorate (ED). The Company entered a contract with bona fide intent. During the FY 2018-19 although, the Competent Authority in Enforcement Directorate, Cochin Office passed a provisional order attaching the property of the Company situated at Daman (UT); based on Company's application to the Hon'ble

Appellate Tribunal, for Prevention of Money Laundering Act (AT PMLA) New Delhi, The Tribunal has directed that both the parties to maintain a status quo in respect of the said attached property until the next date of hearing.

#### **ADOPTION OF INDIAN ACCOUNTING STANDARD (IND AS):**

As mandated by the notification of Ministry of Corporate Affairs, dated 16th February 2015 notifying the Companies (Indian Accounting Standard) Rules, 2015, your Company has implemented Indian Accounting Standards ("IND AS") to record financial transactions pursuant to Notification from financial year 2017-2018. During the year 2020-2021; the Company has continued to successfully implement the Ind AS.

#### **SUBSIDIARIES /JOINT VENTURES/ ASSOCIATE COMPANIES:**

The Company has no subsidiary or joint venture or associate company.

#### **INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS:**

The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations.

The Internal Auditor appointed by the Company, conducts an Internal Audit and monitors and evaluates the efficacy and adequacy of internal control system, its compliance with operating systems, accounting procedures and policies of the Company. Internal Audit Findings and recommendations, areas for improvement are reviewed by the Audit Committee. Based on the report of internal auditor; management undertake corrective action in their respective areas and thereby strengthen the controls.

#### **AUDIT OBSERVATIONS AND EXPLANATION BY THE BOARD:**

There were no qualifications, reservations or adverse remarks made either by the Auditors or by the Secretarial Auditor in their respective Reports. The observations made by the Auditors read with the relevant notes on accounts are self-explanatory.

#### **REPORTING OF FRAUDS BY AUDITORS:**

During the year under review, neither the statutory auditors nor the secretarial auditor has reported to the audit committee, under Section 143 (12) of the Companies Act, 2013, any instances of fraud committed against the Company by its officers or employees, the details of which would need to be mentioned in the Board's Report.

#### **DEPOSITS:**

The details relating to deposits, covered under Chapter V of the Act,-

- a) accepted during the year : **Rs. 45.00 Lakhs**
- b) remained unpaid or unclaimed as at the end of the year : **Nil**
- c) whether there has been any default in repayment of deposits or payment of interest thereon during the year and if so, number of such cases and the total amount involved;
  - (i) at the beginning of the year - **Nil**
  - (ii) maximum during the year - **Nil**
  - (iii) at the end of the year - **Nil**

The details of deposits which are not in compliance with the requirements of Chapter V of the Act: **Nil**

#### **AUDITORS:**

##### **Statutory Auditor:**

In the 34th Annual General Meeting; M/S. Attar & Associates, Chartered Accountants, Thane, Maharashtra, (FRN : 116443W) were appointed as the Statutory Auditors of the Company for a term of 5 financial years commencing from 2018-2019 to hold office till the conclusion of the 39th Annual General Meeting of the Company.

Pursuant to Section 139 and 141 of the Act and relevant Rules prescribed there under, your Company has obtained a declaration from the Statutory Auditors that they meet with the requisite criteria as provided under the provisions of the Companies Act 2013 read with applicable Rules and Advisories, to continue as the Statutory Auditors of the Company for the financial year 2021-2022.

The Auditors have also confirmed that they have subjected themselves to the peer review process of Institute of Chartered Accountants of India (ICAI) and hold a valid certificate issued by the Peer Review Board of the ICAI.

##### **AUDIT REPORT:**

As per the provisions of the Companies Act, 2013, the Auditors Report on Financial Statements for the year ended 31st March 2021 as issued by the Statutory Auditor; M/S Attar & Associates, Chartered Accountants, forms part of this Annual Report.

##### **SHARE CAPITAL:**

The paid up Equity Share Capital as on March 31, 2021 was Rs. 739.10 Lacs. There was no change in the Share Capital of the Company during the financial year under report.



As on March 31, 2021, following two directors are holding shares of the Company:

Mr. Abhishek Patel

Mr. Pranav Patel

**EXTRACT OF THE ANNUAL RETURN:**

Pursuant to Section 92 of the Act and Rule 12 of the Companies (Management and Administration) Rules, 2014, the Annual Return is available on the website of the Company at [www.rishitechtext.com](http://www.rishitechtext.com) under Investor Tab\_Annual Report\_Annual Return. You may also check the following link: [https://www.rishitechtext.com/assets/pdf/RTL\\_MGT\\_7\\_20-21.pdf](https://www.rishitechtext.com/assets/pdf/RTL_MGT_7_20-21.pdf).

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

The information required to be disclosed is set out in Annexure 'A'

**BOARD OF DIRECTORS:**

Details of Board of Directors:

As on the date of Balance sheet; the Board of Directors of the Company consisted of Four Directors. As the Chairman of the Board is in Executive capacity pursuant to requirements of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, its Board comprises of 50% of the Independent Directors.

Out of the Four Directors, One Director is categorized as Promoter- Director, two are independent Directors appointed pursuant to provisions of section 149 of the Companies Act 2013 and one is Non-Executive Non-Independent Director. As on the date of Balance sheet; there is no Nominee Director on the Board of the Company.

No Director of the Company is either member of more than ten committees and/ or Chairman of more than five committees across all Companies in which he is Director and necessary disclosures to this effect have been received by the Company from all the Directors.

**Change in Directors:**

Mr. Pranav Patel retires by rotation in this Annual General Meeting and being eligible, offers himself for reappointment.

There are no other changes in the Board of Directors of the Company during the year under review.

**Details of the meetings of the Board of Directors:**

During the year, in all four Board Meetings

were held i.e. on 21st July, 2020, 14th September, 2020, 9th November, 2020, and 10th February, 2021. No Board Meeting was held during the first quarter of financial year 20-21, due to complete lock-down imposed by the Government of India and Local Authorities, this has resulted in a gap of more than 120 days reckoned from the previous Board meeting held on 14th February, 2020. Members may note that the relaxation to extend gap of more than 120 days between two consecutive Board Meetings were authorized pursuant to General Circular No. 11/2020 dated 24th March, 2020 issued by Ministry of Corporate Affairs and circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/106 dated June 24, 2020 issued by the SEBI. The attendance of the Directors are as detailed in the Corporate Governance Report.

**Declaration by an Independent Director(s):**

All Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013.

**Formal Annual Evaluation:**

Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("LODR"), the Board has carried out the evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Audit, Nomination and Remuneration and other Committees. A structured questionnaire was prepared after taking into consideration inputs received from the Directors, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance.

A separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board. The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Chairman was carried out by the Independent Directors who also reviewed the performance of the Secretarial Department.

**Code of Conduct:**

The Board has laid down a Code of Conduct for all Board members and senior management personnel of the Company, which has been posted on the website of the Company [www.rishitechtext.com](http://www.rishitechtext.com).

All Board members and senior management personnel have affirmed compliance with the code for the year ended on March 31,

2021. Declaration to this effect signed by the Managing Director of the Company for the year ended on March 31, 2021 has been included elsewhere in this report.

**Familiarization Programme for Independent Directors:**

During the year since no new Directors were appointed as Independent there was no specific Familiarization Programme conducted.

**KEY MANAGERIAL PERSONNELS (KMPs):**

As on March, 31, 2021, Mr. Abhishek Patel, Managing Director, Mr. Jagdish Dokwal, Chief Financial Officer and Ms. Gauri Gangal, Company Secretary are the Key Managerial Personnel of your Company. During the financial year under review, there were no changes in the Key Managerial Personnel (KMP) of the Company.

**COMMITTEES OF THE BOARD:**

The Board of Directors has constituted Committees of the Directors, as mandated by Law, Regulations to deal with specific areas and activities which require an independent expert review of subject matter. The Board Committees are formed with approval of the Board and function according to Terms of Reference and statutory provisions mandating such constitution. These Committees play an important role in the overall management of day-to-day affairs and governance of the Company.

**The Board currently has the following Committees:**

**1. Audit Committee:**

The Company has a Competent Audit Committee comprising of three Directors out of which two-third are independent directors. Mrs. Sheela Ayyar, having sound financial background and financial expertise is a Chairman of the Committee with the other members being Mr. Abhishek Patel and Mr. Kunal Rastogi.

The details pertaining to the composition of the Audit Committee, terms of reference, number of meetings of the committee are included in the Corporate Governance Report, which is a part of this report.

**2. Nomination & Remuneration Committee:**

The Nomination & Remuneration committee consists of three Directors, viz. Mrs. Sheela Ayyar, Mr. Pranav Patel and Mr. Kunal Rastogi. Mr. Kunal Rastogi is chairman of the Committee.

The Board has on the recommendation of the Nomination & Remuneration Committee framed a policy for selection and appointment of Directors, Senior Management and their remuneration. The same is posted on the website [www.rishitechtext.com](http://www.rishitechtext.com). Remuneration Committee approves the remuneration payable to the Managing Director and senior executives. The salient features of the said policy are as mentioned in: Corporate Governance Report

The details pertaining to the composition of the Nomination & Remuneration Committee, terms of reference, number of meetings of the committee are included in the Corporate Governance Report, which is a part of this report.

**3. Shareholders/Investors Grievance Committee:**

The Committee consists of three Directors, Mr. Abhishek Patel, Mr. Kunal Rastogi and Mr. Pranav Patel. Mr. Kunal Rastogi is the chairman of the Committee.

The details pertaining to the composition of the Shareholders/Investors Grievance Committee, terms of reference, number of meetings of the committee are included in the Corporate Governance Report, which is a part of this report.

**4. Finance Committee:**

The Company has a Finance Committee comprising of three Directors viz. Mr. Abhishek Patel, Mr. Pranav Patel, and Mr. Kunal Rastogi for looking after the matters pertaining to expansion and finance of the Company.

Finance Committee met on 8th June, 2020 during the financial year 2020-2021.

**Independent Directors' Meeting:**

During the year under review, the Independent Directors met on 5th January, 2021 inter alia, to discuss the evaluation of the performance of all independent directors and the Board of directors as whole. It also evaluates the timelines of flow of information between the Management and the Board that is necessary for the Board to perform its duties effectively.

**RISK MANAGEMENT POLICY:**

The Company has formed a statement indicating development and implementation of a risk management policy for the Company including identification therein of elements of risk, if any, which in the opinion of the Board may threaten the existence of the company.

#### **VIGIL MECHANISM FOR DIRECTORS AND EMPLOYEES:**

The Company has formulated Whistle Blower Policy as per the provisions of SEBI (LODR) Regulations, 2015 to raise any complaint, query and to deal with instance of fraud and mismanagement, if any.

#### **DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORK PLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:**

The Company has constituted Internal Complaint Committee (ICC) for all locations to the extent applicable pursuant to the provisions of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013 to consider and resolve all sexual harassment complaints reported by women. The Company has taken adequate care and caution in line with the requirements of the Act. During the year 2020-2021, the Company has not received any sexual harassment complaint.

#### **LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186:**

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements.

#### **RELATED PARTY TRANSACTIONS:**

All related party transactions that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business.

Pursuant to section 134 read with the Companies (Accounts) Rules 2014, there are no transactions to be reported under section 188(1) of the Companies act, 2013. The related party policy as approved by the Board is available on the website of the Company.

The disclosure in Form AOC-2 as per the provisions of Section 188 of the Companies Act, 2013 and rules made there under is not required since there are no material contracts or arrangements entered into by the Company as per the Policy of Materiality framed forming part of Related Party Transaction policy of the Company.

Related Party Transactions as required under Accounting Standards are reported under the notes to the financial statements.

The policy for determining material subsidiary and policy for dealing with related party transaction are available on the website of the Company at [www.rishitechtext.com](http://www.rishitechtext.com).

#### **PARTICULARS OF EMPLOYEES:**

During the year, there was no employee in receipt of remuneration prescribed in the Rule 5 (2) and (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

The Statement containing particulars of employees as required and the ratio of remuneration of Managing Director to the median employees' remuneration and other details in terms of Section 197(12) of the Companies Act, 2013 read with Rule 5(1) and (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 forms part of this report as Annexure 'B'.

#### **SECRETARIAL AUDIT REPORT:**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s. Sudhanwa S. Kalamkar & Associates, Company Secretary in practice, to undertake the Secretarial Audit of the Company. The Report of the Secretarial Auditor in prescribed form MR-3 is annexed herewith as Annexure 'C'.

There are no qualifications or observations or adverse remarks or disclaimer of the Secretarial Auditors in the Report issued by them for the financial year 2020-21 which call for any explanation from the Board of Directors.

M/s Sudhanwa S. Kalamkar & Associates, Company Secretaries have been re-appointed to conduct the secretarial audit of the Company for the financial year 2021-22. They have confirmed that they are eligible for the said appointment.

#### **COMPLIANCE WITH SECRETARIAL STANDARDS:**

During the financial year, your Company has complied with applicable Secretarial Standards issued by Institute of Company Secretaries of India.

#### **CORPORATE SOCIAL RESPONSIBILITY POLICY (CSR):**

The provisions of section 135 of the Companies Act 2013 related to constitution of Corporate Social Responsibility (CSR) Committee and mandate to spend amount as prescribed by statute is not applicable to Company for the financial year 2020-2021 as the Company does not fulfill any criteria set by the provisions of section 135 (1) of the Act.

## STATEMENT OF SALIENT FEATURES OF FINANCIAL STATEMENT:

Statement on salient features of Financial Statement in Form AOC- 3 is not required since Entire Annual Report is being sent to all the Shareholders in the manner specified by the regulations.

## MANAGEMENT DISCUSSION AND ANALYSIS:

The Management Discussion and Analysis on the operations of the Company is provided in a separate section and forms a part of the Annual Report.

## LISTING:

The shares of your Company are listed at the BSE Limited. The applicable annual listing fees have been paid to the stock exchange before the due dates.

## CORPORATE GOVERNANCE REPORT:

The Company is committed to maintain the highest standards of Corporate Governance and believes in adopting best practices of Corporate Governance. The report on Corporate Governance as stipulated under the SEBI Listing Regulations together with a certificate from the Secretarial Auditors of the Company confirming compliance with the conditions of Corporate Governance forms part of the Report.

## HUMAN RESOURCE DEVELOPMENT AND INDUSTRIAL RELATIONS:

Industrial relations at all plant locations remained harmonious. With an aim at enhancing employees' experience, the highest priority was given to people-focused measures and policies in areas of health, safety and wellness of employees and their families, especially in the wake of COVID-19. In order to drive employee motivation and performance, a structured culture and engagement framework was put in place with focus on three core pillars of Learning and Development, Communication and Connect, and Recognition.

The total number of persons employed in your Company as on March 31, 2021 were 186.

## DIRECTORS' RESPONSIBILITY STATEMENT:

The Directors' Responsibility Statement referred to in clause (c) of sub-section (3) and sub-section (5) of Section 134 of the Companies Act, 2013, shall state that—

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

## ACKNOWLEDGEMENTS:

The Directors place on record their appreciation of the efficient and loyal services rendered by the Staff and workmen, also acknowledge the help, support and guidance from the various Statutory Bodies, Government and Semi-Government Organisations and Bank and thank our customers, suppliers, investors for their continues support during the year.

By Order of the Board

<b>Abhishek Patel</b> Managing Director DIN: 05183410	<b>Sheela Ayyar</b> Director DIN:06656579
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Place: Mumbai  
Date: 13.08.2021



## **Annexure A**

The details of conservation of energy, technology absorption, foreign exchange earnings and outgo are as follows:

### **A. CONSERVATION OF ENERGY**

The Company has initiated various steps for conservation of energy. The Company has replaced old motors and connections to prevent power leakage. Additionally, for heat dissemination, better insulators were installed and recycling units were refurbished. Old computer systems and machinery were replaced for energy efficient operations. By preventing heat loss the company saved on energy.

### **B. TECHNOLOGY ABSORPTION**

The company has been constantly improving the quality of the products to suit the requirements of customers. No specific amount is earmarked for R&D. The Company has installed new Machines as well as modified existing machines to improve the quality of its products.

#### **TECHNOLOGY ABSORPTION, ADAPTION AND INNOVATION**

The Company increasing its focus of the investments in the packtechverticle to minimize human intervention to increase the efficiency of the process.

### **C. FOREIGN EXCHANGE EARNINGS AND OUTGO**

During the year the earning in foreign exchange on Export of Shade Net amounts to Rs. 1573.69 lakhs. Expenditure in foreign currency on account of Travelling is Rs. NIL and on account of spares and components is Rs. 2.01 Lakhs. There was import of Capital Goods which was Rs.32.80 lacs.



## Annexure B

1. The ratio of the remuneration of each director to the median employees' remuneration for the financial year:

Name	Designation	Ratio
Mr. Abhishek Patel	Managing Director	36.03:1

For this purpose, sitting fees paid to non-executive directors have not been considered.

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

The increase in remuneration of Chief Financial Officer and Company Secretary : NIL

3. The percentage increase in the median remuneration of employees in the financial year:

The increment in the median remuneration of the employees is around 3.32%.

4. The Number of permanent Employees on the rolls of the Company:

The numbers of on-rolls permanent employees are 186 (Excluding MD)

5. 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 exceptional circumstances for increase in the managerial remuneration, if any:

The average percentile increase in the salaries of employees other than Managerial Personnel is 5.25%.

6. Affirmation that the remuneration is as per the remuneration policy of the Company:

Yes

## Annexure C

### Secretarial Audit Report – MR 3

#### FORM No. MR-3

#### SECRETARIAL AUDIT REPORT

#### FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2021

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

To,  
The Members,  
Rishi Techtex Limited, Mumbai

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Rishi Techtex Limited (CIN: L28129MH1984PLC032008) (hereinafter called 'the Company'). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my 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 authorised representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on March 31, 2021 ('Audit Period') complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31 March 2021, according to the provisions of:

- (i) The Companies Act, 2013 ('the Act') and the rules made there under, as applicable;
- (ii) The Securities Contract (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) The following Regulations 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, 2009 [not applicable to the Company during the audit period];
  - d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 [Not applicable to the Company during the audit period];
  - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 [Not applicable to the Company during the audit period];
  - f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client.
  - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 [Not applicable to the Company during the audit period]; and
  - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 [Not applicable to the Company during the audit period];

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

- (i) Secretarial Standards (SS) issued by The Institute of Company Secretaries of India (ICSI) and applicable to the Company for audit period;

(ii) The Listing Agreements entered into by the Company with BSE Limited.

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

(v) Further the Company has identified following other statutes as mentioned here below:

(a) Water (Prevention & Control of Pollution) Act, 1974;

(b) The Air (Prevention & Control of Pollution) Act, 1981

the provisions of which the Company has generally complied with during audit period.

I further report that:

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

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

(c) decisions at the Board Meetings, as represented by the management, were taken unanimously.

I further report that:

(a) as per the explanations given to me and the representations made by the Management and relied upon by me there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines;

(b) during the audit period, there has been no significant event having material implication on the existing business of the Company, requiring approval of the Board.

**For Sudhanwa S Kalamkar & Associates,**  
Company Secretaries

**Sudhanwa S Kalamkar**

ACS: 18795 CoP: 7692

Place: Mumbai

Date: 28.06.2021

UDIN issued by the ICSI: A018795C000684328

*Note: This Report is to be read with our letter of even date which is annexed as Annexure A and Forms an integral part of this Report.*



## **Annexure A to Secretarial Audit Report 20-21**

To,  
The Members,  
Rishi Techtex Limited, Mumbai

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 process as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the process 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. Where ever 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 procedure on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**For Sudhanwa S Kalamkar & Associates,**  
Company Secretaries

**Sudhanwa S Kalamkar**

ACS: 18795 CoP: 7692

UDIN issued by the ICSI: A018795C000684328

Place: Mumbai  
Date: 28.06.2021

## Declaration Of The Managing Director

This is to certify that the Company has laid down Code of Conduct for all Board members and Senior Management of the Company.

Further certified that the all Board members and Senior Management personnel have confirmed compliance with the Code of Conduct applicable to them during the year ended on March 31, 2021.

By Order of the Board

Place: Mumbai  
Date: 28.06.2021

**Abhishek Patel**  
Managing Director

# Corporate Governance Report

## **STATEMENT ON COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE:**

The Company's philosophy on Corporate Governance is guided by emphasis on fairness, integrity, transparency, responsibility and accountability.

The Company recognizes its responsibility towards its stakeholders including shareholders, employees, the government and lenders and follows high standards of professionalism, honesty and integrity. The Company believes in monitoring its performance regularly and with utmost transparency so as to enable the optimum utilization of its resources.

The Company is in compliance with the requirements stipulated under Regulation 17 to 27 read with Schedule V and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), as applicable, with regard to corporate governance.

Details of Company's board structure and the various committees that constitute the governance structure of the organization are covered in detail in this report.

## **BOARD OF DIRECTORS (as on 31.03.2021):**

As on the date of Balance sheet; the Board of Directors of the Company consisted of Four Directors.

Out of the Four Directors, One is Promoter Director, two are independent Directors within the meaning of the Companies Act 2013 and one is Non-Executive- Non Independent Director. The Company has complied with the requirement of having atleast half of the Board comprising of Independent Directors as the Chairman of the Board is an Executive Director. The composition of the Board is in conformity with Regulation 17 of the SEBI Listing Regulations read with Section 149 of the Act.

None of the Directors on the Board holds directorships in more than ten public companies. None of the Independent Directors serves as an independent director on more than seven listed entities. Necessary disclosures regarding Committee positions in other public companies as on March 31, 2021 have been made by the Directors. None of the Directors is related to each other. As on the date of Balance sheet; there is no Nominee Director on the Board of the Company.

Independent Directors are non-executive directors as defined under Regulation 16(1)(b) of the SEBI Listing Regulations read with Section 149(6) of the Act along with rules framed thereunder. All the Independent Directors have confirmed that they meet the criteria as mentioned in Regulation 16(1)(b) of the Listing Regulations and Section 149(6) of the Act. The Independent Directors provide an annual confirmation that they meet the criteria of independence. Based on the confirmations/ disclosures received from the Independent Directors, the Board is of the opinion that the Independent Directors fulfill the conditions specified in the Listing Regulations and are Independent of the Management.

During the year, in all Four Board Meetings were held i.e. on 21st July 2020, 14th September 2020, 9th November 2020, and 10th February 2021. No Board Meeting was held during the first quarter of financial year 20-21, due to complete lock-down imposed by the Government of India and Local Authorities, this has resulted in a gap of more than 120 days reckoned from the previous Board meeting held on 14th February, 2020. Members may note that the relaxation to extend gap of more than 120 days between two consecutive Board Meetings were authorized pursuant to General Circular No. 11/2020 dated 24th March, 2020 issued by Ministry of Corporate Affairs and circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/106 dated June 24, 2020 issued by the SEBI. The gap between other meetings of the Financial Year 2020-2021 did not exceed one hundred and twenty days. The necessary quorum was present for all the meetings.

The names and categories of the Directors on the Board, their attendance at board meetings held during the year under review and at the last Annual General Meeting ("AGM"), name of other listed entities in which the Director is a director and the number of Directorships and Committee Chairmanships / Memberships held by them in other public limited companies as on March 31, 2021 are given herein below. Other directorships do not include directorships of private limited companies, foreign companies and companies registered under Section 8 of the Act. For the purpose of determination of limit of the Board Committees, chairpersonship and membership of the Audit Committee and Stakeholders' Relationship Committee has been considered as per Regulation 26(1)(b) of SEBI Listing Regulations.

Name	Category	Number of Board Meetings Attended during FY 2021	Whether attended last AGM held on 5th November, 2020	Number of Directorships in Other Public Companies		Number of Committee Positions held in Other Public Companies		Directorship in Other Listed Entities. (Category of Directorship)
				Chairman	Member	Chairman	Member	
Mr, Abhishek Patel	Pramoter/ Executive Director	4	Yes	-	-	-	-	-
Mr. Pranav Patel	Non Executive/ Non Independent Director	2	Yes	-	2	-	-	-
Mrs. Sheela Ayyar	Non Executive/ Independent Director	4	yes	-	1	-	1	Rishi Laser Limited
Mr. Kunal Rastogi	Non Executive/ Independent Director	4	Yes	-	-	-	-	-

Details of equity shares of the Company held by the Directors as on March 31, 2021 are given below:

Name	Category	No. of Equity Shares
Mr. Abhishek Patel	Promoter/Executive Director	1017095
Mr. Pranav Patel	Non Executive/ Non Independent Director	1767

#### Board Training and Induction

At the time of appointing a Director, a formal letter of appointment is given to him, which inter alia explains the role, function, duties and responsibilities expected of him as a Director of the Company. The Director is also explained in detail the compliances required from him/her under the Companies Act, SEBI (LODR) Regulations, 2015 and other relevant regulations and his affirmation taken with respect to the same. By way of an introduction to the Company, the Director is presented with relevant Annual Reports etc. The detailed familiarization program imparted to Independent Directors is available on the website of the Company [www.rishitechtext.com](http://www.rishitechtext.com).

#### Code of Conduct:

The Board has laid down a Code of Conduct for all Board members and senior management personnel of the Company, which has been posted on the website of the Company [www.rishitechtext.com](http://www.rishitechtext.com).

All Board members and senior management personnel have affirmed compliance with the code for the year ended on March 31, 2021. Declaration to this effect signed by the Managing Director of the Company for the year ended on March 31, 2021 has been included elsewhere in this report.

#### Skills Matrix for the Board of Directors:

We recognize the importance of having a Board comprising of Directors who have a range of experiences, capabilities and diverse point of view which helps in creating an effective and well-rounded Board. The Board has identified the following skills / expertise / competencies fundamental for the effective functioning of the Company which are currently available with the Board:

Strategy and Planning - Appreciation of long-term trends, strategic choices and experience in guiding and leading management teams to make decisions in uncertain environments.

Industry Expertise - Expertise with respect to the sector the organization operates in. Has an understanding of the 'big picture' in the given industry and recognizes the development of industry segments, trends, emerging issues and opportunities.

Governance- Capability to provide inputs for strategic financial planning, assess financial statements and oversee budgets for the efficient use of resources. Ability to identify key risks for the business in a wide range of areas including legal and regulatory.



## COMMITTEES:

The Board of Directors has constituted Board Committees to deal with specific areas and activities which concern the Company and requires a closer review. The Board Committees are formed with approval of the Board and function under their respective Charters. These Committees play an important role in the overall management of day-to-day affairs and governance of the Company.

### The Board currently has the following Committees:

#### Audit Committee

The Company has a Competent Audit Committee comprising of three Directors out of which two-third are independent directors. Mrs. Sheela Ayyar, having sound financial background and financial expertise is a Chairman of the Committee with the other members being Mr. Abhishek Patel and Mr. Kunal Rastogi

The main functions of the Audit Committee were:

- (A) Reviewing Financial Statements before submission to the Board.
- (B) Reviewing internal control system and recommending improvement.
- (C) Recommending appointment of Statutory Auditors and fixing Audit fees.
- (D) Discussing with statutory Auditors the scope of Audit, conducting post audit discussions to ascertain area of concern.

While reviewing the financial statements the committee focused on:

- 1) changes in accounting policies and reasons thereon.
- 2) compliance with accounting standards.
- 3) compliance with listing and other regulations.
- 4) related party transactions.

During the financial years 2020-2021, the committee met four times, on 21st July 2020, 14th September 2020, 9th November 2020, and 10th February 2021. No Audit Meeting was held during the first quarter of financial year 20-21, due to complete lock-down imposed by the Government of India and Local Authorities, this has resulted in a gap of more than 120 days reckoned from the previous Audit meeting held on 14th February, 2020. Members may note that the relaxation to extend gap of more than 120 days between two consecutive Audit Meetings were authorized pursuant to General Circular No. 11/2020 dated 24th March, 2020 issued by Ministry of Corporate Affairs and circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/106 dated June 24, 2020 issued by the SEBI. The gap between other meetings of the Financial Year 2020-2021 did not exceed one hundred and twenty days.

Name	Category(1)	Number of Meetings Attended
Mrs. Sheela Ayyar	Non Executive/ Independent Director	4
Mr. Abhishek Patel	Promoter/Executive Director	4
Mr. Kunal Rastogi	Non Executive/ Independent Director	4

#### Nomination & Remuneration Committee:

The Nomination & Remuneration committee consists of three Directors, Mrs. Sheela Ayyar, Mr. Pranav Patel and Mr. Kunal Rastogi. Mr. Kunal Rastogi is chairman of the Committee.

The Board has on the recommendation of the Nomination & Remuneration Committee framed a policy for selection and appointment of Directors, Senior Management and their remuneration. The same is posted on the website [www.rishitechtext.com](http://www.rishitechtext.com). Remuneration Committee approves the remuneration payable to the Managing Director and senior executives. The salient features of the said policy are as under:

#### POLICY FOR APPOINTMENT AND REMOVAL OF DIRECTOR, KMP AND SENIOR MANAGEMENT

##### 1. Appointment Criteria and Qualifications

- a) 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.

- b) 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.
- c) The Company shall not appoint or continue the employment of any person as Whole-time Director 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.

## 2. Term / Tenure

- a) **Managing Director/Whole-time Director:** The Company shall appoint or re-appoint any person as its Executive Chairman, Managing Director or Executive Director 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.
- b) **Independent Director:** An Independent Director shall hold office for a term up to five 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 of upto maximum of 5 years each, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become 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 number of Boards on which such Independent Director serves is restricted to seven listed companies as an Independent Director and three listed companies as an Independent Director in case such person is serving as a Whole-time Director of a listed company or such other number as may be prescribed under the Act.

## 3. Evaluation

The Committee shall carry out evaluation of performance of every Director, KMP and Senior Management Personnel at regular interval (yearly).

## 4. Removal

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

## 5. Retirement

The Director, KMP 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.

## POLICY FOR REMUNERATION TO DIRECTORS/KMP/SENIOR MANAGEMENT PERSONNEL

1. **Remuneration to Managing/Whole-time / Executive / Managing Director, KMP and Senior Management Personnel:** The Remuneration/ Compensation/ Commission etc. to be paid to Director / Managing Director etc. shall be governed as per provisions of the Companies Act, 2013 and rules made there under or any other enactment for the time being in force.
2. **Remuneration to Non- Executive / Independent Director:** The Non-Executive Independent Director may receive remuneration / compensation / commission as per the provisions of Companies Act, 2013. The amount of sitting fees shall be subject to ceiling/ limits as provided under Companies Act, 2013 and rules made there under or any other enactment for the time being in force.



The terms of reference to the Committee broadly are as under:

The Board has framed the Remuneration and Nomination Committee Charter which ensure effective Compliance of Section 178 of the Companies Act, 2013 and Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 which are as follows.

- Reviewing the overall compensation policy, service agreements and other employment conditions of Managing/Whole-time Director(s) and Senior Management (one level below the Board);
- to help in determining the appropriate size, diversity and composition of the Board;
- to recommend to the Board appointment/reappointment and removal of Directors;
- to frame criteria for determining qualifications, positive attributes and independence of Directors;
- to recommend to the Board remuneration payable to the Directors (while fixing the remuneration to Executive Directors the restrictions contained in the Companies Act, 2013 is to be considered);
- to create an evaluation framework for Independent Directors and the Board;
- to provide necessary reports to the Chairman after the evaluation process is completed by the Directors;
- to assist in developing a succession plan for the Board;
- to assist the Board in fulfilling responsibilities entrusted from time-to-time;
- delegation of any of its powers to any Member of the Committee or the Compliance Officer.

Details of remuneration package of the Managing Director:

(As prescribe by Schedule V of the Companies Act 2013)

Period: Three years from 01.04.2020

Salary : ₹ 5,00,000/-

HRA : ₹ 2,50,000/-

Others : ₹ 2,50,000/-

Besides the above the Managing Director is entitled to perquisites such as PF, Gratuity and LTA.

Actual remuneration received by the Managing Director for the year 2020-2021:

Mr. Abhishek Patel - ₹ 118.38 Lacs

Non - Executive Directors are paid ₹ 2500/- per Board Meeting attended and ₹ 2500/- per Audit Committee Meeting attended.

During the financial year 2020-2021, the committee met on 9th February, 2021 and the meeting was attended by all the Members.

**Shareholders/Investors Grievance Committee:**

The Committee consists of three Directors, Mr.Abhishek Patel, Mr.Kunal Rastogi and Mr.Pranav Patel. Mr.Kunal Rastogi is the chairman of the Committee.

The Committee has been constituted to look into Redressal of Shareholders Complaints and correspondence with SEBI and the Stock Exchange. The Committee also takes on record the requests received for transfer, transmission, dematerialization, rematerialization, issue of duplicate share certificates etc. requests received from shareholders and hold its Meetings at such duration as may be required. There are no complaints pending with the Company.

During the financial year 2020-2021, the committee met two times, on 25th September, 2020 and 9th February, 2021.

Name	Category(1)	Number of Meetings Attended
Mr. Kunal Rastogi	Non Executive/ Independent Director	2
Mr. Abhisek Patel	Promoter/Executive Director	2
Mr. Pranav Patel	Non Executive/Non Independent Director	1

Name, designation and address of Compliance Officer:

**Ms. Gauri Gangal**

Company Secretary and Compliance Officer  
612, Veena Killedar Industrial Estate,  
10-14 Pais Street, Byculla (West), Mumbai 400011  
Contact No. 022-23075677

Details of investor complaints received and redressed during FY 2021 are as follows:

Opening Balance	No. of Complaints received during the year	No. of Complaints resolved during the year	Closing Balance
0	0	0	0

**4. Finance Committee:**

The Company has a Finance Committee comprising of three Directors viz. Mr. Abhishek Patel, Mr. Pranav Patel, and Mr. Kunal Rastogi for looking after the matters pertaining to expansion and finance of the Company.

During the year, Finance Committee Meeting was held on 8th June, 2020 and meeting was attended by Mr. Abhishek Patel and Mr. Kunal Rastogi. Mr. Pranav Patel could not attend the Meeting.

• **GENERAL MEETINGS:**

- Day, Time and Venue of Last Three Annual General Meetings:

34th AGM- Friday, 28.09.2018 at 3.15 p.m. - Killachand Conference Room, 2nd Floor, IMC, Churchgate, Mumbai- 400020
35th AGM- Wednesday, 25.09.2019 at 10.15 a.m. - Killachand Conference Room, 2nd Floor, IMC, Churchgate, Mumbai- 400020
36th AGM- Thursday, 05.11.2020 at 11.00 a.m through Video Conferencing

• **Special Resolutions:**

During the three previous Annual General meetings following Special Resolutions were passed:

Particulars	Date of Meeting	Whether Special Resolution passed	Details of the Special Resolution
34th AGM	September 28, 2018	No	-
35th AGM	September 25, 2019	Yes	<ol style="list-style-type: none"> <li>1. Appointment of Mr. Kunal Rastogi (DIN: 01570584) as a Director on the Board</li> <li>2. Appointment of Mr. Kunal Rastogi (DIN: 01570584) as an Independent Director of the Company.</li> <li>3. Re-appointment of Mrs. Sheela Ayyar (DIN:06656579) as an Independent Director of the Company for second term.</li> <li>4. Increase borrowing powers of the Board and authorization limit to secure the borrowings under Section 180(1)(c) and 180(1)(a) of the Companies Act, 2013</li> </ol>
36th AGM	November 05, 2020	Yes	<ol style="list-style-type: none"> <li>1. Re-appointment and remuneration of Mr. Abhishek Harshad Patel (DIN: 05183410) as Managing Director of the Company</li> </ol>

• **Extra-Ordinary General Meeting :**

During the year no Extra-Ordinary General Meeting was held.



- **Postal Ballot:**

During the year no resolution was passed under Postal Ballot.

- **Subsidiary companies**

The Company Does not have any Subsidiary company

- **DISCLOSURES:**

The Company is in Compliance with all mandatory requirements under Listing Regulation.

There are no transactions of material nature with the Promoters, the Directors or the Management, their Subsidiaries or relatives, etc. that had any potential conflict with the interest of the Company at large.

During the year, there were no cases of non-compliance by the Company. No penalties, strictures imposed on the Company by Stock Exchange or SEBI or by any statutory authority, on any matter relating to Capital market.

The Company follows Accounting Standards issued by the Institute of Chartered Accountants of India and in the preparation of financial statements, the company has not adopted a treatment different from that prescribed in any Accounting Standard.

The Managing Director and the Chief Financial Officer have certified to the Board in accordance with the SEBI Listing Regulations pertaining to CEO/CFO certification for the financial year ended 31.03.2021.

A Management Discussion and Analysis report forming part of this Directors' report is attached herewith.

- **Means of Communication**

The Company has been publishing the Unaudited Quarterly, half yearly and Audited Annual results in Business Standard and Navakal.

In addition it is being also displaying the Quarterly/ Half Yearly and Annual Results on the website of the Company viz. [www.rishitechtext.com](http://www.rishitechtext.com).

The Company has not made any presentations to institutional investors or to the analysts.

- Financial Calendar

- Financial Year:

The financial year of the Company is from April 1 to March 31, each year.

- Publication of Unaudited/Audited Results:

Quarter/Year Ending	Reporting date	Type of Result
June, 30th 2020	Within 45 days from the end of quarter	Unaudited
September, 30th 2020	Within 45 days from the end of quarter	Unaudited
December, 31st 2020	Within 45 days from the end of quarter	Unaudited
March, 31st 2021	Within 60 days from the end of quarter	Audited

- Book Closure Date:

14.09.2021 to 20.09.2021(both days inclusive)

- STOCK MARKET DETAILS:

- Listing on Stock Exchange:

The shares of the Company are listed on the Mumbai Stock Exchange.

- Stock Code:

Physical Segment                      523021

CDSL/NSDL ISIN NO                      INE989D01010

- Stock Market Data for the year 2020-2021



The High and Low of share price of the Company during each month in the last financial year at the Stock Exchange, Mumbai and performance in comparison to BSE Sensex.

#### BSE SENSEX

Month	High	Low	Total Number of Equity Shares Traded
April 20	19.00	13.16	79795
May 20	14.89	11.51	52612
June 20	19.25	12.15	80648
July 20	19.85	14.05	62174
August 20	17.2	13.1	63485
September 20	17.86	13.3	49581
October 20	17.75	14.1	59811
November 20	17.9	14.65	50286
December 20	18.45	14.6	79338
January 21	27.4	15.9	179563
February 21	20.9	18.25	82102
March 21	29.15	19.65	84117

- Outstanding GDRs/ADRs/Warrants:

The Company has not issued any GDRs/ ADRs/ Warrants during the year.

- COMMUNICATION DETAILS :**

- Compliance Officer of the Company:

Name: Ms Gauri Gangal, Company Secretary is the Compliance officer of the Company.

Address: Rishi Techtex Ltd., 612, Veena Killedar Industrial Estate, 10-14, Pais Street, Byculla (W), Mumbai 400011.

Tel No.: 022-23075677/23074585

Email: [investors@rishitechtext.com](mailto:investors@rishitechtext.com)

- Registrar and Transfer Agents (for Physical as well as for Electronic Transfers):

Name: Adroit Corporate Services Private Limited,

Address: 17/20, Jaferbhoy Industrial Estate, 1st Floor, Makwana Road, Marol Naka, Mumbai 400059

Phone No.: 022-42270400/ 42270422/42270423 Fax No. 022-28503748

Email id: [sandeeps@adroitcorporate.com](mailto:sandeeps@adroitcorporate.com); [prafuls@adroitcorporate.com](mailto:prafuls@adroitcorporate.com); [sandeeph@adroitcorporate.com](mailto:sandeeph@adroitcorporate.com)

- SHARE TRANSFER SYSTEM:**

The Company's equity shares are compulsorily traded on in dematerialised form as per the SEBI guidelines.

During the financial year, physical shares transfers are registered and returned within a period of 15 days from the date of receipt if the documents are correct and valid in all respects.

In terms of Regulation 40(1) of SEBI Listing Regulations, as amended, securities can be transferred only in dematerialized form w.e.f. April 1, 2019, except in case of request received for transmission or transposition of securities. Members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Transfers of equity shares in electronic form are effected through the depositories with no involvement of the Company. The Directors and certain Company officials (including Chief Financial Officer and Company Secretary) are authorised by the Board severally to approve transfers, which are noted at subsequent Board Meetings.

Pursuant to Regulation 40(9) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 certificate on half yearly basis have been issued by a company secretary in

practice for due compliance of share transfer formalities by the Company for the half year ended September 30, 2020 and March 31, 2021.

Certificates have also been received from a company secretary in practice for timely dematerialization of the shares of the Company and for conducting a secretarial audit on a quarterly basis for reconciliation of the share capital of the Company.

As on 31st March, 2021, 7087978 equity shares representing 95.90% of the total paid – up Capital of the Company are held in dematerialised form.

• **SHAREHOLDING PATTERN AS ON 31ST MARCH 2021:**

Category	No. of Shares held	% to Paid up Capital
Promoters	2545923	34.45
Banks/Financial Institutions	-	-
Bodies Corporate	540956	7.32
Non Resident Indians	216059	2.92
Public	4088062	55.31
Total	7391000	100.00

• **DISTRIBUTION OF SHAREHOLDING AS ON 31ST MARCH 2021:**

No. of Shares	No. of Shareholders	% to Total	No. of Shares	% to Total
Up to 500	3420	84.7	468327	6.34
501-1000	252	6.24	200511	2.71
1001-2000	141	3.49	211770	2.87
2001-3000	63	1.56	156707	2.12
3001-4000	34	0.84	117002	1.58
4001-5000	30	0.74	136355	1.84
5001-10000	41	1.02	288712	3.91
Above 10000	57	1.41	5811616	78.63
Total	4038	100	7391000	100

• Plant Location

1. Survey No.381, Causeway Road, Village Kachigam, Taluka Daman, Union Territory of Daman & Diu.
2. Plot No. 2910, Shade No. E, Near Divyesh Chemical,4th Phase, JIDC, Vapi- 396195

• Address for Correspondence

The Compliance Officer,  
**Rishi Techtex Ltd,**  
 (Formerly known as Rishi Packers Limited)  
 612, Veena Killedar Industrial Estate,  
 10-14, Pais Street, Byculla (W), Mumbai 400011.  
 Tel No. 022-23075677/23074585  
 Email: investors@rishitechtext.com

## CERTIFICATION BY CHIEF FINANCIAL OFFICER

To,  
The Board of Directors  
Mumbai - 400 011

We have reviewed the attached financial statements and the cash flow statement of Rishi Techtex Limited for the financial year ended 31st March, 2021 and that to the best of our knowledge and belief, we state that;

- (a) (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that may be misleading;
- (ii) these statements present a true and fair view of the Company's affairs and are in compliance with current 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 financial year ended 31st March, 2021 which are fraudulent, illegal or in violation of the Company's code of conduct.
- (c) We accept responsibility for establishing and maintaining internal controls for financial reporting. We have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and have disclosed to the Auditor's and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and steps taken or proposed to be taken for rectifying these deficiencies.
- (d) We have indicated to the Auditor's and the Audit Committee:
  - (i) significant changes, if any, in the internal control over financial reporting during the financial year ended 31st March, 2021.
  - (ii) significant changes, if any, in accounting policies made during the financial year ended 31st March, 2021 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 Rishi Techtex Limited

**Jagdish Dokwal**  
Chief Financial Officer

Date: 28.06.2021  
Place: Mumbai

## CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

To,  
The Members  
Rishi Techtex Limited

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Rishi Techtex Limited having CIN L28129MH1984PLC032008 and having registered office at 612, Veena Killedar Industrial Estate, 10-14 Pais Street, Byculla (West), Mumbai 400011 (hereinafter referred to as 'the Company') produced before me / us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to us by the Company and its officers. We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on March 31, 2021 have been debarred or disqualified from being appointed or continuing as Directors of the Companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority

Sr. No	Name of Director	DIN	Date of Appointment in Company
1	Mr. Abhishek Patel	05183410	01-11-2012
2	Mr. Pranav J. Patel	00171387	15-09-2001
3	Ms. Sheela Ayyar	06656579	27-07-2015
4	Mr. Kunal Rastogi	01570584	09-08-2019

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

Place: Mumbai

Date: 09.08.2021

For **Sudhanwa S Kalamkar & Associates**,  
Company Secretaries

**Sudhanwa S Kalamkar**

ACS: 18795 CoP: 7692

UDIN issued by the ICSI: A018795C000758666

## **PRACTISING COMPANY SECRETARIES' CERTIFICATE ON CORPORATE GOVERNANCE**

To the Members,  
Rishi Techtex Limited

I have examined the compliance of the conditions of Corporate Governance by Rishi Techtex Limited ('the Company') for the year ended on March 31, 2021, as stipulated under Regulations 17 to 27, clauses (b) to (i) of sub-regulation (2) of Regulation 46 and para C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").

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

In my opinion and to the best of our information and according to the explanations given to us, and there presentations made by the Directors and the Management and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India warranted due to the spread of the COVID-19 pandemic, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations for the year ended on March 31, 2021.

I 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.

Place: Mumbai

Date: 10.08.2021

For **Sudhanwa S Kalamkar & Associates,**  
Company Secretaries

**Sudhanwa S Kalamkar**  
ACS: 18795 CoP: 7692  
UDIN issued by the ICSI: A018795C000762780

# Standalone Financial Statements

# Independent Auditor's Report

## TO THE MEMBERS OF RISHI TECHTEX LIMITED

### Report on the Standalone Financial Statements

#### Opinion

1. We have audited the accompanying standalone financial statements of Rishi Techtex Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2021, and the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone IndAS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with accounting principles generally accepted in India, of the state of affairs (financial position) of the Company as at 31st March 2021 and its profit (financial performance including other comprehensive income), its cash flows and changes in equity for the year ended on that date.

#### Basis for Opinion

3. We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SA's) specified under Section 143(10) of the Companies Act, 2013. Our responsibility under those Standards are further described in the Auditor's Responsibilities for the audit of the Financial Statements section of our report. We are independent of the Company in accordance with the code of ethics issued by the Institute of Chartered Accountants of India together with ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Companies Act, 2013 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

4. Key audit matters are those that, in our professional judgement, were of most significance in our audit of the standalone financial statements of the current year. We have determined the matters described below to be the key audit matters and were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon. We do not provide a separate opinion on these matters.

Key Audit Matters	How our audit addressed the key audit matters
<p>Uncertain Indirect unsettled and disputed tax provision (as described in note 34 of the financial statements)</p> <ul style="list-style-type: none"> <li>• The Company has ongoing litigation with Enforcement Directorate .This dispute is pending with Appellate authorities. The management has assessed the future outcome of this ongoing proceeding and exposure which directly affects the valuation of indirect tax liability provision in the financial statement</li> <li>• As the future outcome of this matter and the accounting effect thereof, is based on assessment of complex matter which may take time to finally resolve, the valuation of indirect tax provision related to uncertain indirect tax position has been considered as key audit matter in our audit of the standalone financial statement.</li> </ul>	<ul style="list-style-type: none"> <li>• We have obtained all the details of litigation upto 31st March ,2021. There is no change in the status of the case.</li> <li>• We performed test controls of management process of assessment and estimates with regard to uncertain indirect tax position</li> <li>• We inspected written communication between the Company and indirect tax authorities and involved indirect tax specialist to assess the management's underlying assumptions in estimating the indirect tax provision and the possible outcome of the dispute.</li> <li>• We also considered the effect of the new information in the financial year 2021-22 to evaluate if there is any change in the management's position on these uncertainties</li> <li>• We tested the adequacy of disclosure relating to uncertain indirect tax position for the year in the standalone financial statement</li> </ul>





Accounting for Expected Credit Loss on trade receivables	
<ul style="list-style-type: none"> <li>Management has considered estimates in computing the expected credit losses after considering credit history of customers and current market realities.</li> </ul>	<ul style="list-style-type: none"> <li>We have performed audit procedures that included management discussions on company's understanding in relation to the adoption of the standard and installing a process of its implementation.</li> <li>We reviewed the past data, customer history and assumptions arising therefrom in deciding and computing loss rate for different ageing buckets identified by the management.</li> <li>We evaluated management's assumption on the impact of Covid 19 on the above matters.</li> <li>We also reviewed the application of any specific provision for customers which was necessary in the given circumstances. With respect to forward looking assumption considered by the Company, held discussions with the management and corroborated the assumption using both internal and externally available information on attest basis.</li> </ul>

Information other than the standalone financial statements and auditors report thereon

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

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

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

When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate action as applicable under the relevant laws and regulations.

We have nothing to report in this regard.

#### **Management's Responsibility for the Standalone Ind AS 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 and presentation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS 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 Ind AS financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable,

matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

#### **Auditor's Responsibilities for the Audit of the Standalone Ind AS Financial Statements**

6. Our objectives are to obtain reasonable assurance about whether the standalone Ind AS 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 Ind AS financial statements.
7. 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 Ind AS 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 in place and the operating effectiveness of such controls.
  - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
  - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
  - Evaluate the overall presentation, structure and content of the standalone Ind AS financial statements, including the disclosures, and whether the standalone Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
8. 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.
9. 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.
10. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone Ind AS financial statements for the financial year ended March 31, 2021 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**

11. As required by the Companies (Auditor's Report) Order, 2016, issued by the Central Government of India in terms of section 143 (11) of the Act ("the Order"), we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
12. 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 Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
  - (d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act.
  - (e) On the basis of the written representations received from the directors as on 31st March, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 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) 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  
The Company has disclosed the impact of pending litigation with Enforcement Directorate and subsequent development in its standalone financial statement Note No.34. This amount has been shown as contingent liabilities in Accounts.
    - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
    - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended 31st March 2021.

For **Attar & Associates**  
Chartered Accountants  
Firm Registration No: 116443W

**S.G.Gangal**  
Partner  
Membership No.037699

UDIN: 21037699AAAAFH4301

Place: Mumbai  
Date: 28th June 2021




## Annexure A to the Independent Auditor's Report

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of Independent Auditors' Report on standalone financial statements of even date)

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;
- (b) According to the information and explanations given to us, fixed assets have been physically verified by the management during the year and in our opinion the frequency of verification is reasonable having regard to the size of the Company and the nature of its assets. We are informed that no material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of Company which are mortgaged to Canara bank as collateral security for Cash Credit facility based on the confirmations directly received by us from banks.
- (ii) As explained to us, the inventories have been physically verified during the year by the management. The intervals at which the inventories have been verified are, in our opinion, reasonable in relation to the size of the Company and the nature of its business. The Company is maintaining proper records of inventory and no material discrepancies were noticed on physical verification.
- (iii) As informed, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Act. Consequently, sub clause (a), (b) and (c) of the paragraph 3 (iii) are not applicable to the Company.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Act, in respect of loans, investments, guarantees, and security given for the year under report.
- (v) In our opinion and according to the information and explanations given to us, the Company has in respect of deposits accepted by it has complied with the directives issued by the Reserve Bank of India to the extent applicable and the provisions of Section 73 to 76 of the Act read with rules framed thereunder. According to the information and explanations given to us and to the best of our knowledge and belief, no order has been passed by the Company Law Board or the National Company Law Tribunal or the RBI or any other court or tribunal which is to be complied with by the Company.
- (vi) The maintenance of cost records has not been specified by the Central Government under section 148(1) of the Companies Act, 2013 for the business activities carried out by the Company. Thus reporting under clause 3(vi) of the order is not applicable to the Company.
- (vii) (a) According to information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted / accrued in the books of account in respect of undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, goods and services tax, duty of customs, duty of excise, value added tax, cess which have not been deposited with the appropriate authorities on account of any dispute as at 31 March 2021 are as under :

Name of the applicable Act	Nature of Dues	Forum where the dispute is pending	Period to which amount relates	Amount involved	Amount paid	Amount unpaid
Income Tax Act, 1961	Demand on account of unexplained credit	CIT (Appeals)	AY 2014-15	35,71,290/-	7,14,500/-	28,56,790/-

- (b) According to the information and explanations given to us and the records of the Company examined by us, there are no disputed amounts payable in respect of income tax, sales tax, service tax, duty of customs and value added tax outstanding as at the year-end.

- 
- (viii) According to the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings to financial institutions and banks. The Company has not taken any loans from the Government. It has not issued any debentures.
- (ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year. According to the information and explanations given to us and the records of the Company examined by us, the Company has utilised the monies raised by way of term loans for the purpose for which the loan was obtained.
- (x) To the best of our knowledge and belief and according to the information and explanations given to us, no material fraud on or by the Company has been noticed or reported during the course of our audit.
- (xi) According to the information and explanations given to us and based on our examination of the records of the Company, 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) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Therefore, paragraph 3(xii) of the Order is not applicable.
- (xiii) In our opinion and according to the information and explanations given to us, and based on our examination of the records of the Company, all transactions with the related parties are in compliance with sections 177 and 188 of the Act, where applicable and the details have been disclosed in the financial statements etc., as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Therefore, the provisions of clause (xiv) of paragraph 3 of the Order are not applicable to the Company.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with directors or persons connected with him as specified under section 192 of the Act. Therefore, paragraph 3(xv) of the Order is not applicable.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934 and therefore the provisions of paragraph 3(xvi) of the Order is not applicable.

For **Attar & Associates**  
Chartered Accountants  
Firm Registration No: 116443W

**S.G.Gangal**  
Partner  
Membership No.037699  
UDIN: 21037699AAAAFH4301

Place: Mumbai  
Date: 28th June 2021

## Annexure B to the Independent Auditor's Report

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of Independent Auditors' Report on standalone financial statements of even date)

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

We have audited the internal financial controls over financial reporting of Rishi Techtex Limited ("the Company") as of March 31, 2021 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

#### **Management's Responsibility for Internal Financial Controls**

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

#### **Auditors' Responsibility**

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

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

#### **Meaning of Internal Financial Controls over Financial Reporting**

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

#### **Inherent Limitations of Internal Financial Controls over Financial Reporting**

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



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

**Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 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

For **Attar & Associates**  
Chartered Accountants  
Firm Registration No: 116443W

**S.G.Gangal**  
Partner  
Membership No.037699  
UDIN: 21037699AAAAFH4301

Place: Mumbai  
Date:28th June 2021

## Balance sheet as at 31<sup>st</sup> March 2021

(₹ In Lakhs)

Particulars	Note no.	As at 31 March 2021	As at 31 March 2020
<b>ASSETS</b>			
<b>Non-current assets</b>			
a) Property, plant and equipment	4	2,084.77	2,183.14
b) Capital work-in-progress	4	59.76	-
c) Financial assets			
i) Investments	5	20.96	20.59
ii) Others financial assets	6	87.03	74.22
<b>Total Non Current Assets</b>		<b>2,252.52</b>	<b>2,277.95</b>
<b>Current assets</b>			
a) Inventories	7	2,596.20	2,447.21
b) Financial assets			
i) Trade Receivables	8	1,033.98	910.83
ii) Cash and cash equivalents	9	9.41	20.67
iii) Bank Balances Other than (ii) above	10	82.10	69.88
iv) Other financial assets	11	0.27	0.92
c) Current Tax Assets (net)	12	26.04	-
d) Other current assets	13	306.28	259.94
<b>Total Current Assets</b>		<b>4,054.28</b>	<b>3,709.45</b>
<b>TOTAL ASSETS</b>		<b>6,306.80</b>	<b>5,987.40</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
a) Equity Share capital	14	739.10	739.10
b) Other equity	15	2,068.36	1,880.17
Total Equity (a+b)		<b>2,807.46</b>	<b>2,619.27</b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
a) Financial liabilities			
i) Borrowings	16	458.91	295.09
ii) Other financial liabilities	17	32.01	53.72
b) Provisions	18	119.00	84.98
c) Deferred tax liabilities (Net)	19	200.15	193.30
<b>Total Non Current Liabilities</b>		<b>810.07</b>	<b>627.09</b>



## Balance sheet as at 31<sup>st</sup> March 2021

(₹ In Lakhs)

Particulars	Note no.	As at 31 March 2021	As at 31 March 2020
<b>Current liabilities</b>			
a) Financial liabilities			
i) Borrowings	20	1,446.87	1,621.65
ii) Trade Payables	21		
Total outstanding dues of micro enterprises and small enterprises		208.70	68.89
Total outstanding dues of creditors other than micro enterprises and small enterprises		596.61	778.02
iii) Other financial liabilities	22	311.56	124.23
b) Other current liabilities	23	76.55	66.20
c) Provisions	24	48.98	60.72
d) Current Tax liabilities (net)	25	-	21.33
<b>Total Current Liabilities</b>		<b>2,689.27</b>	<b>2,741.04</b>
<b>Total Liabilities</b>		<b>3,499.34</b>	<b>3,368.13</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>6,306.80</b>	<b>5,987.40</b>
Significant Accounting Policies	2 & 3		
Notes to Accounts form an integral part of financial statements			

As per our attached report of even date  
For **Attar & Associates**  
Chartered Accountants  
Firm Registration No.: 116443W

**S.G. Gangal**  
Partner  
M. No.: 037699

Mumbai  
28th June, 2021

For and on behalf of the Board of Directors

**Abhishek Patel**  
Managing Director  
DIN: 05183410

**Jagdish Dokwal**  
Chief Financial Officer

**Gauri Gangal**  
Company Secretary  
M. No: 52130

**Sheela Ayyar**  
Director  
DIN: 06656579

Mumbai  
28th June, 2021

# Statement of Profit and Loss for the year ended 31<sup>st</sup> March 2021

(₹ In Lakhs)

Particulars		Note no.	As at 31 March 2021	As at 31 March 2020
<b>Income</b>				
I	Revenue from operations	26	8,106.79	7,622.39
II	Other income	27	15.66	40.61
<b>III</b>	<b>Total Income (I+II)</b>		<b>8,122.45</b>	<b>7,663.00</b>
<b>IV EXPENSES</b>				
	Cost of materials consumed	28	5,770.75	5,456.54
	Changes in inventories of finished goods, stock-in-trade and work in progress	29	(22.49)	(196.90)
	Employee benefits expense	30	904.68	789.00
	Finance cost	31	252.67	247.76
	Depreciation and amortization expense	4	199.62	179.07
	Other expenses	32	957.16	965.99
	<b>Total expenses (IV)</b>		<b>8,062.39</b>	<b>7,441.46</b>
<b>V</b>	<b>Profit/ (loss) before tax (III-IV)</b>		<b>60.06</b>	<b>221.54</b>
<b>VI Tax expense</b>				
	a) Current tax		16.55	50.00
	b) Deferred tax		6.85	71.88
	c) Excess / Short Provision of tax		(5.22)	0.00
	<b>Total Tax Expense (VI)</b>		<b>18.18</b>	<b>121.88</b>
VII	Profit/ (loss) for the period (V-VI)		41.88	99.66
<b>VIII Other comprehensive income</b>				
	a) i) Items that will not be reclassified to profit or loss		0.38	(0.69)
	ii) Income tax relating to items that will not be reclassified to profit or loss		0.00	0.00
	<b>Total Other comprehensive income, net of tax (VIII)</b>		<b>0.38</b>	<b>(0.69)</b>
IX	Total comprehensive income for the period (VII+VIII)		42.26	98.97
<b>X Earnings per equity share (FV of Rs. 10/-)</b>				
	a) Basic		0.57	1.35
	b) Diluted		0.57	1.35
	Significant Accounting Policies	2 & 3		
Notes to Accounts form an integral part of financial statements				

As per our attached report of even date  
For **Attar & Associates**  
Chartered Accountants  
Firm Registration No.: 116443W

For and on behalf of the Board of Directors  
**Abhishek Patel**  
Managing Director  
DIN: 05183410

**Jagdish Dokwal**  
Chief Financial Officer

**S.G. Gangal**  
Partner  
M. No.: 037699

**Gauri Gangal**  
Company Secretary  
M. No.: 52130

**Sheela Ayyar**  
Director  
DIN: 06656579

Mumbai  
28th June, 2021

Mumbai  
28th June, 2021

## Cash Flow Statement for the year ended 31<sup>st</sup> March 2021

(₹ In Lakhs)

Particulars	As at 31 March 2021		As at 31 March 2020	
<b>PROFIT BEFORE TAX</b>		60.06		221.54
Adjusted for:				
Other comprehensive income during the year	0.38		(0.69)	
Depreciation and amortisation expenses	199.62		179.07	
Interest & Other finance charges	252.67		247.76	
Interest Received	(8.08)		(5.57)	
Dividend received	-		-	
Deferred Tax	6.85		71.88	
Net foreign exchange (gain) / loss	(7.58)		(19.50)	
Profit on sale of Assets	-		(15.54)	
		443.86	-	457.41
Total		503.92		678.95
<b>A. OPERATING PROFIT BEFORE WORKING CAPITAL CHANGE</b>				
Adjusted for (Increase)/Decrease in operating Assets:				
Trade and other Receivable	(123.15)		106.94	
Inventories	(148.99)		(364.84)	
Other Financial Asset	0.65		(0.22)	
Current Tax Assets (net)	(26.04)		-	
Other current assets	(46.34)		18.90	
Bank Balances Other than above	(12.22)		(1.25)	
Adjusted for Increase/(Decrease) in operating Liabilities:				
Borrowing	(174.78)		30.32	
Trade payables	(41.60)		72.77	
Other Financial liabilities	187.33		29.24	
Short-term provisions	10.35		(12.92)	
Short-Term Liabilities and provisions	(11.74)		23.90	
Current Tax Liability (net)	(21.33)	(407.86)	(8.66)	(105.82)
<b>CASH GENERATED FROM OPERATIONS</b>		96.06		573.13
Less: Taxes Paid		18.18		121.88
Net Cash From Operating Activities		77.88		451.25
<b>B. CASH FLOW FROM INVESTING ACTIVITIES:</b>				
Purchase of Fixed Assets (including Capital Work in Progress)	(161.01)		(468.30)	
Sale of Investments	-		15.06	
Other Comprehensive Income	(0.38)		0.69	
Interest Received	8.08		5.57	
Sale of Fixed Assets	-		-	
Net foreign exchange gain / (loss)	7.58		19.50	
Dividend received	-		-	
Profit on sale of assets	-		15.54	
Other Financial Asset	(12.81)		2.72	
Net Cash (Used in) Investing Activities		(158.54)		(409.22)
<b>C. CASH FLOW FROM FINANCING ACTIVITIES:</b>				

## Cash Flow Statement for the year ended 31<sup>st</sup> March 2021

(₹ In Lakhs)

Particulars	As at 31 March 2021	As at 31 March 2020
Money Received Against Share Warrants	-	-
Proceeds from issue of Share Capital	-	-
Proceeds from issue of Share Premium	-	-
Proceeds from MAT of Earlier Years adjustments	145.93	-
Proceeds from Borrowings (Net of Repayments)	163.82	124.49
Other Financial Liability	(21.71)	(0.66)
Provisions	34.02	(22.27)
Interest and other finance charges	(252.67)	(247.76)
Net Cash (Used in) From Financing Activities	69.39	(146.20)
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS: (A+B+C)</b>	<b>(11.26)</b>	<b>(104.17)</b>
OPEINING BALANCE OF CASH & CASH EQUIVALENTS	20.67	124.84
CLOSING BALANCE OF CASH & CASH EQUIVALENT	<b>9.41</b>	<b>20.67</b>

As per our attached report of even date  
For **Attar & Associates**  
Chartered Accountants  
Firm Registration No.: 116443W

For and on behalf of the Board of Directors  
**Abhishek Patel**  
Managing Director  
DIN: 05183410

**Jagdish Dokwal**  
Chief Financial Officer

**S.G. Gangal**  
Partner  
M. No.: 037699

**Gauri Gangal**  
Company Secretary  
M. No: 52130

**Sheela Ayyar**  
Director  
DIN: 06656579

Mumbai  
28th June, 2021

Mumbai  
28th June, 2021

# Notes forming part of Financial Statement for the year ended **31<sup>st</sup> March 2021**

## **1 Corporate information**

Rishi Tectex Limited is a public company incorporated and domiciled in India. Its shares are listed on the recognized stock exchanges, namely BSE Limited, in India. The registered office of the Company is located at 612, V.K.Industrial Estate, 10-14, Pais Street, Byculla (West), Mumbai 400011.

The Company is engaged in manufacturing of Shade nets and Plastic Woven Sacks and supplying to fertilizer and cement industry. Company has consistently developed number of products to cater to a wide spectrum of industries such as cement, fertilizer, chemical Petrochemical, etc.

These financial statements were authorised for issue by the Board of Directors on June 28, 2021.

## **2 Basis of preparation**

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

### **a. Compliance with Ind AS:**

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

The Financial Statements up to the year ended March 31,2017 were prepared in accordance with the Accounting Standards notified under Companies (Accounting Standard) Rules, 2006 (as amended) ("Previous GAAP") and other relevant provisions of the Act.

### **i) Historical cost convention:**

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

- a) Certain financial assets and liabilities that are measured at fair value
- b) Defined benefit plans: plan assets measured at fair value

Rounding of Amounts:

The financial statements are presented in INR and all values are rounded to the nearest lakhs, except when otherwise indicated.

### **b. Significant estimates, judgements and assumptions**

The preparation of financial statements in conformity with Ind AS requires the management to make estimates, assumptions and exercise judgment in applying the accounting policies that affect the reported amount of assets, liabilities and disclosure of contingent liabilities at the end of the financial statements and reported amounts of income and expense during the year.

The management believes that these estimates are prudent and reasonable and are based on management's best knowledge of current events and actions. Actual results could differ from these estimates and difference between actual results and estimates are/shall be recognised in the period in which results are known or materialised.


### **c. Current non-current classification**

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle (12 months) and other criteria set out in the Schedule III to the Act.

## **3. Significant Accounting Policies**

### **Property, plant and equipment**

Freehold land is carried at historical cost. All other items of property, plant and equipment stated at acquisition cost net of accumulated depreciation and accumulated impairment losses, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items.



Subsequent costs are included in the carrying amount of asset 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. All other repairs and maintenance expenses are charged to the Statement of Profit and Loss during the period in which they are incurred. Gains or losses arising on retirement or disposal of assets are recognised in the Statement of Profit and Loss.

Spare parts, stand-by equipment and servicing equipment are recognised as property, plant and equipment if they are held for use in the production or supply of goods or services, for rental to others, or for administrative purposes and are expected to be used during more than one period.

Property, plant and equipment which are not ready for intended use as on the reporting date are disclosed as 'Capital work-in-progress'.

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognized 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.

### **Depreciation on Property, Plant and Equipment**

Depreciation on property, plant and equipment is provided on the straight line method over the useful lives of assets as prescribed under para C of Schedule II of the Companies Act, 2013.

Depreciation is calculated on a pro-rata basis from the date of acquisition/installation till the date, the assets are sold or disposed off.

The useful life is for the whole of the asset, except where cost of the part of the asset is significant to the total cost of the asset and useful life of that part is different from the useful life of the remaining asset, useful life of that significant part ("Component") is determined separately and the depreciable amount of the said component is allocated on systematic basis to each accounting period during the useful life of the asset.

The residual values and useful lives of property, plant and equipment are reviewed at each financial year end and adjusted if appropriate.

Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the assets and is recognised in profit or loss.

### **Impairment of Assets**

The carrying amounts of assets are reviewed at each Balance Sheet date to assess if there is any indication of impairment based on internal/external factors. An impairment loss on such assessment will be recognised wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount of the assets is net selling price or value in use, whichever is higher. While assessing value in use, the estimated future cash flows are discounted to the present value by using weighted average cost of capital. A previously recognised impairment loss is further provided or reversed depending on changes in the circumstances and to the extent that carrying amount of the assets does not exceed the carrying amount that will be determined if no impairment loss had previously been recognised.

### **De-recognition of Assets**

The carrying amount of an item of property, plant and equipment is derecognized on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the de-recognition of an item of property, plant and equipment is measured as the difference between the net disposal in proceeds and the carrying amount of the item and is recognized in the statement of profit and loss when the item is derecognized.

### **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.

### **Financial Assets**

#### Classification

The Company classifies its financial assets in the following measurement categories:

- i) Those to be measured subsequently at fair value (either through Other Comprehensive Income, or through profit or loss)
- ii) Those measured at amortised cost.

The classification depends on the business model of the entity for managing financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in Other Comprehensive Income or profit or loss. For investments in debt instruments, this will depend on the business model in which the investment is held.

For investments in equity instruments, method of recognition 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.

#### **Recognition and measurement**

##### Initial Recognition:

Financial assets are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in the Statement of Profit and Loss.

##### Subsequent Measurement:

After Initial recognition, financial assets are measured at:

- I. Financial assets carried at amortized cost
- II. Financial assets at fair value through other comprehensive income
- III. Financial assets at fair value through profit and loss.

#### **Debt instrument**

##### Measured at amortized cost:

Financial Assets that are held for collection of contractual cash flow where those cash flows represent solely payment of principal and interest are measured at amortised cost. Interest income from these financial assets is included in interest income using the Effective Interest Rate (EIR) method the amortisation of EIR and loss arising from impairment, if any is recognised in the Statement of Profit and Loss.

##### **Measured at fair value through Other Comprehensive Income (OCI):**

Financial assets that are held within a business model whose objective is achieved by both, selling financial assets and collecting contractual cash flows that are solely payments of principal and interest, are subsequently measured at fair value through Other Comprehensive Income (FVTOCI).

Fair value movements are recognised in the OCI. Interest income measured using the EIR method and impairment losses, if any are recognised in the Statement of Profit and Loss.

On de-recognition, cumulative gain/ (loss) previously recognised in OCI is reclassified from the equity to other income in the Statement of Profit and Loss.

##### **Measured at fair value through profit or loss:**

A financial asset not classified as either amortised cost or FVTOCI, is classified as Fair Value through Profit or Loss (FVTPL). Such financial assets are measured at fair value with all changes in fair value, including interest income and dividend income if any, recognised as other income in the Statement of Profit and Loss.

### **Impairment of financial assets:**

The Company assesses on a forward looking basis the expected credit losses (ECL) associated with its financial assets carried at amortised cost and FVTOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade and lease receivable only, 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 such receivables.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider all contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument.

### **De-recognition of financial assets:**

A financial asset is de-recognised only when the Company

- i) has transferred the rights to receive cash flows from the financial asset or
- ii) retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is de-recognised.

Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not de-recognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is de-recognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

### **Financial Liabilities at FVTPL**

Financial liabilities are classified as at FVTPL when the financial liability is held for trading or are designated upon initial recognition as FVTPL.

Gains or losses on financial liabilities held for trading are recognised in the Statement of Profit and Loss.

### **Other Financial liabilities:**

- i) Classification as debt or equity

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

- ii) Initial recognition and measurement:

Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities are initially measured at the fair value.

- iii) Subsequent measurement:

Financial liabilities are subsequently measured at amortised cost using the effective interest rate method. Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognized in the Statement of Profit and Loss.

- iv) De-recognition:

A financial liability is de-recognised when the obligation specified in the contract is discharged, cancelled or expires.





#### **Offsetting financial instruments:**

Financial assets and liabilities are offset and the net amount is reported in the Balance Sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counter party.

#### **Equity instruments:**

The Company subsequently measures all investments in equity instruments other than subsidiary companies, associate Company and joint venture company at fair value. The Management of the Company has elected to present fair value gains and losses on such equity investments in Other Comprehensive Income, and there is no subsequent reclassification of these fair value gains and losses to the Statement of Profit and Loss.

Dividends from such investments continue to be recognized in profit or loss as other income when the right to receive payment is established.

Changes in the fair value of financial assets at fair value through profit or loss are recognised in the Statement of Profit and Loss.

Impairment losses (and reversal of impairment losses) on equity investments measured at FVTOCI are not reported separately from other changes in fair value.

Employee Benefits

#### **Short-term employee benefits:**

All employee benefits payable within 12 months of service such as salaries, wages, bonus, ex-gratia, medical benefits etc. are recognized as an expense at an undiscounted amount in the statement of profit and loss of the year in which the employees render the related service and are presented as current employee benefit obligations within the Balance Sheet. Termination benefits are recognised as an expense as and when incurred.

Short-term leave encashment is provided at undiscounted amount during the accounting period based on service rendered by employees.

Defined contribution plans

The Company's contribution to provident fund and superannuation fund are considered as defined contribution plans and are charged as an expense as they fall due based on the amount of contribution required to be made.

Defined benefit plans

Gratuity liability is a defined benefit obligation and is computed on the basis of present value of amount payable determined using actuarial valuation techniques as per projected unit credit method at the end of each financial year.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

It is recognized as an expense in the statement of profit & loss for the year in which the employee has rendered services.

Re-measurement cost of net defined benefit liability, which comprises of actuarial gain and losses, return on plan assets(excluding interest), and the effect of the asset ceiling(if any, excluding interest) are recognized in other comprehensive income in the period in which they occur.

#### **Revenue**

Revenue Recognition

Revenue is the gross inflows of economic benefits received / receivable by the entity on its own account. Revenue is recognized to the extent, it is probable that economic benefits will flow to the Company and the revenue can be reliably measured.

### **Sale of goods**

Revenue from the sale of goods is recognized when the significant risks and rewards of ownership of the goods have passed to the buyer. Amounts disclosed as revenue are net of returns, trade allowances; value added taxes and volume rebates, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

The Company has assumed that recovery of excise duty flows to the company on its own account. This is for the reason that it is liability of the manufacturer which forms part of the cost of production, irrespective of whether the goods are sold or not.

Since, the recovery of excise duty flows to the company on its own account, revenue includes excise duty. However, Goods & Services Tax (GST) is not received by the company on its own account. Hence tax collected on account of on the commodity on behalf of the government is excluded from revenue.

### **Interest income**

Interest income for all debt instruments, are measured at amortized cost or fair value through other comprehensive income, is recognized using effective interest rate method and shown under interest income in statement of profit and loss. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset.

### **Dividend income**

Dividend income from financial assets are recognized in the Statement of Profit and Loss only when the right to receive payment is established.

### **Leases**

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Operating Lease payments are recognized on straight line basis over the lease period in the statement of profit and loss account unless increase is on account of inflation.

### **Foreign Currency**

Functional and presentation currency:

Items included in the Financial Statements of the Company are measured using the currency of the primary economic environment in which the Company operates ('functional currency'). The Financial Statements of the Company are presented in Indian currency (INR), which is also the functional and presentation currency of the Company.

### **Transactions and Translation:**

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Monetary items denominated in foreign currencies at the year-end are restated at closing rates.

Non-monetary items which are carried in terms of historical cost denominated in foreign currency are reported using the exchange rate at the date of the transaction. Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain/ (loss).

Foreign exchange gain/(loss) resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognized in profit or loss.

Foreign exchange differences regarded as an adjustment to borrowing costs are presented in the Statement of Profit and Loss, within finance costs. All other foreign exchange gain / (loss) are presented in the Statement of Profit and Loss on a net basis within other income/ (expense).



### **Cash and cash equivalents**

Cash and cash equivalents in the balance sheet comprise cash at bank, cash in hand and short-term deposit with original maturity upto three months, which are subject to insignificant risk of changes in value.

For the purpose of presentation in the statement of cash flows, cash and cash equivalents consists of cash and short-term deposit, as defined above, Bank overdrafts which are repayable on demand form an integral part of an entity's cash management, bank overdrafts are included as a component of cash and cash equivalents.

### **Inventories**

Raw materials, packing materials, purchased finished goods, work-in-progress, manufactured finished goods, other than specific spares for machinery are valued at lower of cost (which includes duties and taxes, except those subsequently recoverable) net realizable value. Cost is arrived at on moving weighted average basis.

However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost.

Cost comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventory to the present location and condition.

### **Income Tax**

Tax expense comprises of current and deferred tax.

#### **(i) Current tax:**

Current tax is the amount of income taxes payable in respect of taxable profit for a period. Current tax for current and prior periods is recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted at the balance sheet date.

Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate. Current tax is recognized in the statement of profit and loss except to the extent that the tax relates to items recognized directly in other comprehensive income or directly in equity.

#### **(ii) Deferred tax:**

Deferred tax assets and liabilities are recognized using the balance sheet approach for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements except when the deferred tax arises from the initial recognition of an asset or liability that effects neither accounting nor taxable profit or loss at the time of transition.

Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Deferred tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted at the balance sheet date and are expected to apply to taxable income in the year in which those temporary differences are expected to be recovered or settled.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

Unrecognized deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

### **Earnings per share:**

Earnings per share (EPS) is calculated by dividing the net profit or loss (excluding other comprehensive income) for the period attributable to Equity Shareholders by the weighted average number of Equity shares outstanding during the period. Earnings considered in ascertaining the EPS is the net profit for the period after deducting preference dividends and any attributable tax thereto for the period.

For the purpose of calculating diluted earning per share, the net profit or loss for the year attributable to equity shareholders is adjusted for after income tax effect of interest and other financing costs associated with dilutive potential equity shares and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

### **Provisions, contingent liability and contingent assets**

The Company recognizes provisions when a present legal or constructive obligation as a result of a past event exists and it is probable that an outflow of resources embodying economic benefits will be required to settle such obligation and the amount of such obligation can be reliably estimated. Provisions are not recognized for future operating losses.

If the effect of time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not require an outflow of resources embodying economic benefits or the amount of such obligation cannot be measured reliably. When there is a possible obligation or a present obligation in respect of which likelihood of outflow of resources embodying economic benefits is remote, no provision or disclosure is made.

Contingent assets are not recognised in the financial statements, however they are disclosed where the inflow of economic benefits is probable. When the realization of income is virtually certain, then the related asset is no longer a contingent asset and is recognised as an asset.

Provisions and contingencies are reviewed at each balance sheet date and adjusted to reflect the correct management estimates.

## 4 Property, plant and equipment &amp; Capital work-in-progress

(₹ In Lakhs)

Particulars	Property, Plant & Equipment							Capital work-in-progress		
	Freehold Land	Building	Plant & Equipments	Furniture & Fixtures	Vehicles	Office equipment	Electrical installation		Tools & die	Total
<b>Gross carrying value, at cost</b>										
Opening as on 1st April 2019	1.27	356.37	3,730.81	31.44	41.84	52.94	124.02	9.63	4,348.32	0.00
Addition		13.95	654.50	0.00	0.00	14.87	1.97	0.00	685.29	0.00
Disposal			207.16		5.08				212.24	
<b>As at 31st Mar, 2020</b>	<b>1.27</b>	<b>370.32</b>	<b>4,178.15</b>	<b>31.44</b>	<b>36.76</b>	<b>67.81</b>	<b>125.99</b>	<b>9.63</b>	<b>4,821.37</b>	<b>0.00</b>
Addition		0.00	91.81	0.00	0.00	9.44	0.00		101.25	59.76
Disposal			0.00		0.00			0.00	0.00	0.00
<b>As at 31st Mar, 2021</b>	<b>1.27</b>	<b>370.32</b>	<b>4,269.96</b>	<b>31.44</b>	<b>36.76</b>	<b>77.25</b>	<b>125.99</b>	<b>9.63</b>	<b>4,922.62</b>	<b>59.76</b>
<b>Accumulated Depreciation/amortisation</b>										
Opening as on 1st April 2020		190.29	2,246.49	7.65	24.40	46.29	113.55	9.56	2,638.23	
Charge for the year		18.56	160.80	2.37	2.84	9.41	5.64	0.00	199.62	
Disposal		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
<b>As at 31st Mar, 2021</b>		<b>208.85</b>	<b>2,407.29</b>	<b>10.02</b>	<b>27.24</b>	<b>55.70</b>	<b>119.19</b>	<b>9.56</b>	<b>2,837.85</b>	
<b>As at 31st Mar, 2021</b>		<b>208.85</b>	<b>2,407.29</b>	<b>10.02</b>	<b>27.24</b>	<b>55.70</b>	<b>119.19</b>	<b>9.56</b>	<b>2,837.85</b>	
<b>Net Book Value</b>										
<b>As at 31st March 2020</b>	<b>1.27</b>	<b>180.03</b>	<b>1,931.66</b>	<b>23.79</b>	<b>12.36</b>	<b>21.52</b>	<b>12.44</b>	<b>0.07</b>	<b>2,183.14</b>	<b>0.00</b>
As at 31st March 2021	1.27	161.47	1,862.67	21.42	9.52	21.55	6.80	0.07	2,084.77	59.76

## 5 Non current Investment

(₹ In Lakhs)

Particulars	Face value	As at 31.03.2021		As at 31.03.2020	
		Number of Shares	Value	Number of Shares	Value
1. M/S Centennial Finance Ltd.	10	138000	18.05	138000	18.05
2. M/S Vision Products Pvt. Ltd.	0	0	0.00	150000	0.00
<b>TOTAL</b>			<b>18.05</b>		<b>18.05</b>
<b>Investment in Equity Instruments</b>					
Quoted at Cost:					
<b>Others:</b>					
1. M/S Adarsh Chemical & Fertilisers Ltd.	10	28000	1.40	28000	1.40
2. M/S Stanrose Mafatlal Ltd.	10	1722	1.33	1722	1.04
3. Std Ind Ltd.	10	900	0.17	900	0.09
4. Shares of TGVSRAAK Ltd (52.05 Per Share)	10	50	0.01	50	0.01
<b>TOTAL</b>			<b>2.91</b>		<b>2.54</b>
<b>Total</b>			<b>20.96</b>		<b>20.59</b>
<b>Market Value:</b>					
Quoted					
Unquoted					
		2.91 Lakhs		3.23 Lakhs	

Particulars	As at 31.03.2020	As at 31.03.2019
<b>Total Non Current Investments</b>	<b>20.96</b>	<b>20.59</b>
Aggregate value of quoted investments	2.91	2.54
Aggregate value of unquoted investments	18.05	18.05

## 6 Other Financial Assets - Non Current

(₹ In Lakhs)

Particulars	As at 31.03.2021	As at 31.03.2020
Security deposits for utilities and premises	87.03	74.22
<b>Total</b>	<b>87.03</b>	<b>74.22</b>

## 7 Inventories

(₹ In Lakhs)

Particulars	As at 31.03.2021	As at 31.03.2020
(a) Raw materials	869.93	742.03
(b) Work-in-progress	1,563.57	1,543.55
(c) Finished Goods	16.40	13.93
(d) Stores and spares	146.30	147.70
<b>Total</b>	<b>2,596.20</b>	<b>2,447.21</b>
* Refer note number 3 of accounting policies		

## 8 Trade Receivables

(₹ In Lakhs)

Particulars	As at 31.03.2021	As at 31.03.2020
Unsecured, Considered Good	1,033.98	910.83
ii) Unsecured, considered doubtful	0.00	8.52
<b>Total</b>	<b>1,033.98</b>	<b>919.35</b>
Less : Allowance for doubtful debts (expected credit loss)	0.00	8.52
<b>Total</b>	<b>1,033.98</b>	<b>910.83</b>

## 9 Cash and cash equivalents

(₹ In Lakhs)

Particulars	As at 31.03.2021	As at 31.03.2020
(a) Balances with banks		
In current accounts	8.71	14.03
(b) Cash on hand	0.70	6.64
<b>Total</b>	<b>9.41</b>	<b>20.67</b>

## 10 Bank Balances Other Than Above

(₹ In Lakhs)

Particulars	As at 31.03.2021	As at 31.03.2020
Bank balances other than cash and cash Equivalents	82.10	69.88
<b>Total</b>	<b>82.10</b>	<b>69.88</b>

## 11 Other financial assets (Current)

(₹ In Lakhs)

Particulars	As at 31.03.2021	As at 31.03.2020
Other receivables	0.27	0.92
<b>Total</b>	<b>0.27</b>	<b>0.92</b>

## 12 Current Tax Assets (Net)

(₹ In Lakhs)

Particulars	As at 31.03.2021	As at 31.03.2020
Advance Tax(Net of provisions)	26.04	0.00
<b>Total</b>	<b>26.04</b>	<b>0.00</b>

## 13 Other current assets

(₹ In Lakhs)

Particulars	As at 31.03.2021	As at 31.03.2020
a) Advance recoverable in cash or kind or for value to be received	38.59	59.18
b) Prepaid Expenses	16.11	23.78
c) Balances with government authorities		
Unsecured, considered good		
(i) Balance in GST	97.94	135.38
(ii) VAT credit receivable	4.08	4.08
(iii) MAT Adjustment of Previous years	99.92	0.00
(iv) GST Refund Receivable	49.64	37.52
<b>Total</b>	<b>306.28</b>	<b>259.94</b>

## 14 Equity Share Capital

(₹ In Lakhs)

Particulars	As at 31.03.2021	As at 31.03.2020
<b>Authorised shares</b>		
80,00,000 Equity shares of ₹ 10/- each	800.00	800.00
	800.00	800.00
<b>Issued, Subscribed and Fully Paid up shares</b>		
7,391,000 equity shares of ₹ 10/- each (Refer note (a) below)	739.10	739.10
Balance at end of year	739.10	739.10

₹ In Lakhs, except no. of shares data

a)	Reconciliation of Number of Shares (Equity)	2020-21		2019-20	
		No. of Shares	Amount	No. of Shares	Amount
	Number of Shares outstanding as at the beginning of the year	7,391,000.00	739.10	7,391,000.00	739.10
	Add: Number of Shares Issued during the Year	-	-	-	-
	<b>Number of Shares outstanding as at the end of the year</b>	<b>7,391,000.00</b>	<b>739.10</b>	<b>7,391,000.00</b>	<b>739.10</b>

b)	Rights, preferences, restrictions of equity shares
	The company has only one class of equity shares having a par value of ₹ 10/- per share. Each holder of equity shares is entitled to one vote per share.

c)	Shareholders holding more than 5 per cent of total Equity Shares of company
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₹ In Lakhs, except no. of shares data

Name of the Shareholders	As at 31st March 2021		As at 31st March 2020	
	No. of Shares	% held	No. of Share	% held
Abhishek Patel	1,017,095	13.76%	998,659	13.51%
Smita Patel	635,998	8.61%	635,998	8.61%
Centennial Finance Ltd	509,964	6.90%	509,964	6.90%
Arvind Baburao Joshi	439,750	5.95%	439,750	5.95%
Aakanksha Patel	400,861	5.42%	400,861	5.42%



## 15 Other Equity

(₹ In Lakhs)

Particulars	As at 31.03.2021	As at 31.03.2020
<b>Capital Reserve</b>		
Balance at end of year	49.07	49.07
	<b>49.07</b>	<b>49.07</b>
<b>Securities Premium Reserve</b>		
Balance at the beginning of year	587.04	587.04
Add: Addition during the year (Share Warrant)	-	-
Add: Addition during the year (Pref. Issue)	-	-
Less: Preliminary Expenses (Pref. Issue)	-	-
Balance at end of year	<b>587.04</b>	<b>587.04</b>
<b>General Reserve</b>		
Balance at end of year	401.88	401.88
	<b>401.88</b>	<b>401.88</b>
<b>Money Received Against Share Warrants</b>		
Balance at end of year	-	-
	-	-
<b>Retained Earning</b>		
Balance at the beginning of year	842.18	743.21
Add : Profit for the year	41.88	99.66
Add : Other comprehensive income during the year	0.38	(0.69)
Add : Changes in fair value of current investments & non Current Investments		
Add:MAT of Earlier Years Adjustment A/C	145.93	-
Less:Tax Impact on Gratuity		-
Less:Deferred Tax Impact		
Balance at end of year	<b>1,030.37</b>	<b>842.18</b>
<b>TOTAL</b>	<b>2,068.36</b>	<b>1,880.17</b>

## 16 Borrowings - Non Current

(₹ In Lakhs)

Particulars	As at 31.03.2021		As at 31.03.2020	
	Non-Current Portion	Current Portion	Non-Current Portion	Current Portion
<b>Term loans</b>				
<b>From banks</b>				
Secured				
1. Term loan From Canara Bank: Secured by First Charge on Companies Land and Building, Machinaries at Survey No.381, Causway Road, Kachigam, Daman. (Repayment of ₹ 4/- lacs (previous year ₹ 3/- lacs)/- lacs/Month from April 2019 to March 2023)	56.84	48.00	109.83	36.00
2. Term loan From Canara Bank - COVID -19: Secured by First Charge on Companies Land and Building, Machinaries at Survey No.381, Causway Road, Kachigam, Daman. (Repayment of ₹ 8.33/- lacs (previous year ₹ NIL Month for 18 months From Dec.2020 to May 2022.)	16.66	100.00	0.00	0.00
3. Term loan From Canara Bank Under GECL: Secured by First Charge on Companies Land and Building, Machinaries at Survey No.381, Causway Road, Kachigam, Daman. (Repayment of ₹ 9.44/- lacs (previous year ₹ NIL/- lacs)/Month for 36 months From Sept.21 to July 2024.)	273.89	66.11	0.00	0.00
<b>Total Secured Loan</b>	<b>347.39</b>	<b>214.11</b>	<b>109.83</b>	<b>36.00</b>
<b>From other parties</b>				
Secured				
1. Loan from Diwan Housing Fin.Corporation Ltd. Repayment of ₹ 1.93 lacs P.M.(EMI) Starting from October 2017 to September 2022.	13.18	20.85	26.73	18.23
2. Loan from Hero Fincorp Ltd. Repayment of ₹ 3.01 lacs P.M. (EMI) Starting from February 2017 to January 2022.	0.00	30.21	28.25	29.98
<b>Total Secured Loan</b>	<b>13.18</b>	<b>51.06</b>	<b>54.98</b>	<b>48.21</b>
Unsecured				
1. Loan from Bajaj Fin. Services Repayment of ₹ 1.24 lacs P.M. (EMI) Starting from April 2020 to March 2023.	13.71	11.58	25.28	9.78
2. Loan from IIFL Repayment of ₹ 1.43 lacs P.M. (EMI) Starting from April 2020 to March 2023.	22.99	13.29	29.02	11.22
3. Loan from Tata Finance Ltd. Repayment of ₹ 1.77 lacs P.M. (EMI) Starting from April 2020 to March 2023	21.64	16.52	35.98	14.02
<b>Total Unsecured Loan</b>	<b>58.34</b>	<b>41.39</b>	<b>90.28</b>	<b>35.02</b>
<b>Deposits received from members</b>				
Unsecured	40.00	5.00	40.00	5.00
	<b>40.00</b>	<b>5.00</b>	<b>40.00</b>	<b>5.00</b>
<b>Total</b>	<b>458.91</b>	<b>311.56</b>	<b>295.09</b>	<b>124.23</b>

## 17 Other financial liabilities - Non Current

(₹ In Lakhs)

Particulars	As at 31.03.2021	As at 31.03.2020
(i) Creditor for capital goods	7.49	28.85
(ii) Payable on Contractually reimbursable expenses	24.52	24.87
<b>Total</b>	<b>32.01</b>	<b>53.72</b>

## 18 Provisions

(₹ In Lakhs)

Particulars	Non Current	
	As at 31.03.2021	As at 31.03.2020
Provision for employee benefits:		
- Provision for gratuity liability	119.00	84.98
<b>Total</b>	<b>119.00</b>	<b>84.98</b>

## 19 Deferred Tax Liabilities (net)

(₹ In Lakhs)

Particulars	As at 31.03.2021	As at 31.03.2020
<b>Deferred Tax Liabilities</b>		
Depreciation on Property, Plant, & Equipment	239.07	218.16
<b>Total (A)</b>	<b>239.07</b>	<b>218.16</b>
<b>Deferred Tax Assets</b>		
Provision for Bonus	4.80	9.15
Provision for Gratuity	33.11	13.22
Provision for Leave Encashment	1.01	2.49
<b>Total (B)</b>	<b>38.92</b>	<b>24.86</b>
<b>Total (A-B)</b>	<b>200.15</b>	<b>193.30</b>

## 20 Borrowings - Current

(₹ In Lakhs)

Particulars	As at 31.03.2021	As at 31.03.2020
Loans repayable on demand		
From banks		
Secured	1,446.87	1,621.65
<b>Total</b>	<b>1,446.87</b>	<b>1,621.65</b>

## 21 Trade payables

(₹ In Lakhs)

Particulars	As at 31.03.2021	As at 31.03.2020
Total outstanding dues of micro enterprises and small enterprises	208.70	68.89
Total outstanding dues of creditors other than micro enterprises and small enterprises	596.61	778.02
<b>Total</b>	<b>805.31</b>	<b>846.91</b>

## 22 Other financial liabilities - Current

(₹ In Lakhs)

Particulars	As at 31.03.2021	As at 31.03.2020
Current Maturities of Long Term Debt	311.56	124.23
<b>Total</b>	<b>311.56</b>	<b>124.23</b>

## 23 Other current liabilities

(₹ In Lakhs)

Particulars	As at 31.03.2021	As at 31.03.2020
Advances received from customers	0.00	0.00
Statutory dues	29.89	20.33
Employee benefits payable	46.66	45.87
<b>Total</b>	<b>76.55</b>	<b>66.20</b>

## 24 Provisions

(₹ In Lakhs)

Particulars	As at 31.03.2021	As at 31.03.2020
(a) Provision for employee benefits:		
(i) Provision for leave encashment	3.64	2.50
(ii) Provision for gratuity liability	19.48	21.23
(b) Provision - Others:		
(i) Provision - others	25.86	36.99
<b>Total</b>	<b>48.98</b>	<b>60.72</b>

## 25 Current Tax Liabilities

(₹ In Lakhs)

Particulars	As at 31.03.2021	As at 31.03.2020
<b>Current Tax Assets</b>		
Advance Tax	-	269.14
TDS	-	4.85
<b>Sub Total</b>	<b>-</b>	<b>273.99</b>
<b>Current tax liabilities</b>		
Provision for Tax	-	295.32
<b>Sub Total</b>	<b>-</b>	<b>295.32</b>
<b>Total</b>	<b>-</b>	<b>21.33</b>

## 26 Revenue from operations

(₹ In Lakhs)

Particulars	Year ended 31.03.2021	Year ended 31.03.2020
Sale of Products (including excise duty)	8,094.50	7,611.73
<b>Other operating revenue:</b>		
Scrap sale	12.29	10.66
<b>Total</b>	<b>8,106.79</b>	<b>7,622.39</b>

## 27 Other income

(₹ In Lakhs)

Particulars	Year ended 31.03.2021	Year ended 31.03.2020
Interest income:		
Interest from bank deposits	8.08	5.57
Dividend Income		
From long Term Investment	0.00	0.00
Other Non Operating Income	0.00	15.54
Net gain / (loss) on foreign currency transactions and translation	7.58	19.50
<b>Total</b>	<b>15.66</b>	<b>40.61</b>

## 28 Cost of Raw Material and components consumed

(₹ In Lakhs)

Particulars	Year ended 31.03.2021	Year ended 31.03.2020
Opening stock	742.03	599.05
Add: Purchases	5,898.65	5,599.52
	6,640.68	6,198.57
Less: Closing stock	869.93	742.03
Cost of material consumed	5,770.75	5,456.54

## 29 Changes in inventories of finished goods, work in progress and stock in trade

(₹ In Lakhs)

Particulars	Year ended 31.03.2021	Year ended 31.03.2020
<b>Inventories at the Commencement</b>		
Finished Goods	13.93	7.80
Work in progress	1,543.55	1,352.78
<b>Inventories at Close</b>		
Finished Goods	16.40	13.93
Work in progress	1,563.57	1,543.55
(Increase) / Decrease in Finished Goods	-2.47	-6.13
(Increase) / Decrease in Work in progress	-20.02	-190.77
<b>Net (increase) / decrease</b>	<b>(22.49)</b>	<b>(196.90)</b>

## 30 Employee benefit expense

(₹ In Lakhs)

Particulars	Year ended 31.03.2021	Year ended 31.03.2020
Salaries and Wages	842.32	731.09
Contributions to provident and other funds	31.79	34.36
Gratuity expenses/Leave Encashment	23.12	13.22
Staff welfare expenses	7.45	10.33
<b>Total</b>	<b>904.68</b>	<b>789.00</b>

## 31 Finance cost

(₹ In Lakhs)

Particulars	Year ended 31.03.2021	Year ended 31.03.2020
Interest	236.62	236.73
Other borrowing costs	16.05	11.03
<b>Total</b>	<b>252.67</b>	<b>247.76</b>

### 32 Other expenses

(₹ In Lakhs)

Particulars	Year ended 31.03.2020	Year ended 31.03.2019
Consumption of stores and spares		
Op. Stock	147.70	122.74
Add: Purchases during the year	153.46	179.57
	301.16	302.31
Less: Closing Stock	146.30	147.70
Consumption of Stores and Spares	154.86	154.61
Processing charges	116.23	95.97
Power and fuel	237.01	217.84
Repairs and maintenance:		
Plant and Machinery	23.02	27.72
Others	9.52	8.07
Rent	59.87	35.96
Insurance	19.33	17.73
Rates and taxes	1.16	2.08
Printing and Stationary	4.69	9.51
Travelling and conveyance	7.38	25.20
Postage, Telephone, Telex	5.76	7.41
Donations and contributions	-	0.63
Legal and professional	67.40	93.75
Payments to auditors	3.50	3.50
Security charges	20.31	19.95
Sundry Dr./Cr. Balance written off	1.40	0.06
Selling and distribution expense	194.80	203.24
Miscellaneous expenses	30.92	42.76
<b>Total</b>	<b>957.16</b>	<b>965.99</b>

### 33 Employee Benefits

#### a. Defined benefit plan: Gratuity

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on retirement / resignation or retirement under VRS at 15 days salary (last drawn salary) for each completed year of service. The present value of gratuity obligation 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

(₹ In Lakhs)

<b>I. Expenses recognized in the statement of profit and loss</b>	<b>31-Mar-21</b>	<b>31-Mar-20</b>
1. Current Service Cost	9.35	8.81
2. Interest Cost [(Income)/Expense]	6.84	7.83
3. Actuarial Losses / (Gains) / Remeasurements in OCI	3.28	(3.42)
4. Past Service cost	-	-
<b>Total</b>	<b>19.47</b>	<b>13.22</b>
		(₹ In Lakhs)
<b>II. Amount recognized in other comprehensive income (OCI)</b>	<b>31-Mar-21</b>	<b>31-Mar-20</b>
Return on plan assets, excluding amount included in interest expense /(income)	-	-
Remeasurement during the period due to:		
Change in financial assumptions- (Gain)/Loss		
Experience adjustments- (Gain)/Loss	4.44	2.47
Demographic Assumptions	-	-
<b>Total</b>	<b>4.44</b>	<b>2.47</b>
		(₹ In Lakhs)
<b>III. Reconciliation of defined benefit obligation:</b>		
		(₹ In Lakhs)
<b>Particulars</b>	<b>31-Mar-21</b>	<b>31-Mar-20</b>
<b>Opening Defined Benefit Obligation</b>	<b>106.22</b>	<b>111.79</b>
Current service cost	9.35	8.81
Interest cost	6.84	7.83
Actuarial loss/(gain) due to change in demographic Assumptions	-	-
Actuarial loss/(gain) due to change in financial assumptions	(1.16)	(5.89)
Actuarial loss/ (gain) due to experience adjustments	4.44	2.47
Benefits paid	(6.69)	(18.80)
<b>Closing Defined Benefit Obligation</b>	<b>119.00</b>	<b>106.21</b>



(₹ In Lakhs)		
<b>IV. Reconciliation of plan assets:</b>		
<b>Particulars</b>	<b>31-Mar-21</b>	<b>31-Mar-20</b>
<b>Opening value of plan assets</b>	-	-
Interest Income	-	-
Return on plan assets excluding amounts included in interest income	-	-
Employer Direct Benefit Payments	6.69	18.80
Benefit Payments from Employer	(6.69)	(18.80)
Assets Withdrawn	-	-
<b>Closing value of plan assets</b>	-	-
<b>V. Net (Asset) / Liability recognised in the Balance Sheet as at 31 March</b>		
	<b>31-Mar-21</b>	<b>31-Mar-20</b>
Present value of defined benefit obligation (DBO)	106.21	111.79
Net (Asset) / Liability	119.00	106.21
<b>VI. The significant actuarial assumptions were as follows:</b>		
<b>Particulars</b>	<b>31-Mar-21</b>	<b>31-Mar-20</b>
Discount rate	6.77% p.a.	6.65% p.a.
Attrition rate	-	-
Rate of return on plan assets	-	-
Salary escalation rate	3.50% p.a.	3.50% p.a.
<b>VII. Bifurcation of present value of obligation at the end of the valuation period as per Schedule III of Companies Act, 2013:</b>		
<b>Particulars</b>	<b>31-Mar-21</b>	<b>31-Mar-20</b>
Current Liability	30.80	21.23
Non - Current Liability	88.20	84.98
<b>Total</b>	<b>119.00</b>	<b>106.21</b>
<b>Sensitivity Analysis</b>		
Below is the sensitivity analysis determined for significant actuarial assumption for determination of defined benefit obligation and based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period.		
(₹ In Lakhs)		
	<b>31-Mar-21</b>	<b>31-Mar-20</b>
Increase by 1% in discount rate	130.58	116.61
Decrease by 1% in discount rate	108.95	97.18
Increase by 1% in rate rate of salary increase	121.86	108.59
Decrease by 1% in rate rate of salary increase	115.75	103.51
Increase by -1% in rate rate of employee turnover	109.98	98.06
Decrease by -1% in rate rate of employee turnover	129.56	115.74



### 34 Contingent liability

(In Lakhs)

	Contingent liability	Mar-21	Mar-20
a.	Guarantee given by bank on behalf of Company	20.32	20.32
b.	Claims against the company not acknowledge as debt	66.88	66.88
c.	Income tax Demand on account of Unexplained Credit	28.57	28.57
	<b>Commitments</b>		
	Estimated amount of Capital contract remaining to be executed for tangible Assets	350.00	107.00

**Note:** Note: Enforcement Directorate vide provisional attachment order No. 01/2017/KZSZO (IN ECIR/KZSZO/4/2015) dated 15.03.2017 issued directions for freezing Bank accounts of the Company. The Company filed writ petition in the High Court of Kerala and the court vide order dated 12.05.2017 asked the Company to furnish the bank guarantee equivalent to the amount lying in the frozen bank accounts. The Company vide letter dated 23.05.2017 furnished the required bank guarantee of ₹ 20.33 Lacs in favour of DIRECTORATE OF ENFORCEMENT, KOCHI. The Enforcement Directorate vide their letters dated 08.06.2017 released the frozen accounts of the Company. The said bank guarantee has been renewed further as requested by Enforcement Directorate from time to time.

Subsequently, ED vide O/C No.1063/2018 dated 09.11.2018 provisionally attached the immovable property of the Company at Daman with a gross liability of ₹ 66,88,822/- (Net of Bank Guarantee ₹ 46,56,026). The ED referred the matter to Adjudicating Authority, New Delhi. The Adjudicating Authority vide order dated 26.04.2019 confirmed the attachment giving Company 45 days time to appeal against this order to the Hon'ble Appellate Tribunal, New Delhi. Accordingly, Company has preferred an appeal on 23.05.2019, the appeal has been admitted by the honourable appellate tribunal and proceedings are underway.

### 35 Reconciliation of Tax Expense

(₹ In Lakhs)

	Year ended 31-Mar-2021	Year ended 31-Mar-2020
<b>(a) Income tax expenses :</b>		
Current tax- In respect of the current year	16.55	50.00
Deferred tax- In respect of the current year	6.85	71.88
<b>Total</b>	<b>23.40</b>	<b>121.88</b>
<b>(b) Income tax recognised in Other Comprehensive Income</b>		
Remeasurements of the defined benefit plans	-	-
<b>Total income tax expense recognised in the year (a + b)</b>	<b>23.40</b>	<b>121.88</b>

### 36 Related Party Disclosures

Details of transactions between the company and other related parties as disclosed below :

Related Parties	Key Management personnel and their relatives	Non Executive directors & their relationships
Ms. Smita Patel	Mr. Abhishek Patel	Ms. Sheela Ayyar
	Mr. Jagdish Dokwal	Mr. Pranav Patel
	Ms. Gauri Gangal	Mr. Kunal Rastogi

Details relating to parties/ persons referred to in above items are as under:

(In Lakhs)

Nature of transaction	31-Mar-21	31-Mar-20
<b>Related Party</b>		
Rent Paid	3.00	3.00
Loans & Deposit Paid	-	-
<b>Key management personnel</b>		
Remuneration/ Reimbursement	118.17	101.13
Balance outstanding as at year end	-	-
Receivable/ (Payable)	-	-
<b>Non-executive directors and their relatives</b>		
Remuneration/ Reimbursement/sitting fees	0.45	0.42
Professional Fees	-	-
Balance outstanding at year end	-	-
Receivable/ (Payable)	-	-



### 37 Financial Instrument and Risk Management

#### i) Financial risk management objective and policies

The Company's principal financial liabilities, comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include investments, loans, trade and other receivables, and cash and cash equivalents that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The company's senior management oversees the management of these risks.

##### Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk - interest rate risk, foreign currency risk and other price risk such as equity price risk. Financial instruments affected by market risk include loans and borrowings, deposits, other financial instruments.

##### Interest rate risk

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair value of fixed interest bearing investments because of fluctuations in the interest rates. Cash flow interest rate risk is the risk that future cash flows of floating interest bearing investments will vary because of fluctuations in interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations to its preference share holders.

##### Interest rate sensitivity

The borrowing of the Company includes vehicle loans which carries fixed coupon rate and hence the Company is not exposed to interest rate risk.

##### Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers, deposits and loans given, investments and balances at bank. The Company measures the expected credit loss of trade receivables based on historical trend, industry practices and the business environment in which the entity operates. Expected Credit Loss is based on actual credit loss experienced and past trends based on the historical data.

Movement in allowance for credit loss during the year was as follows :	March 2021	March 2020
Balance at 1 April	852,631	2239284
Add : Provided during the year	-	852,631
Less : Reversal during the year	852,631	2239284
Balance as at 31 March	-	852,631
Net Trade receivable	103,398,481	91,082,686

#### ii) Capital Management

For the purpose of the Company's capital management, capital includes issued capital and all other equity reserves. The Company manages its capital structure to ensure that it will be able to continue as a going concern while maximising the return to the stakeholders.

### Categories of financial instruments and fair value thereof

Financial assets	March 2021	March 2020
<b>Measured at amortised cost:-</b>		
Trade Receivables	103,398,481	91,082,686
Cash and cash equivalents and bank balances	9,151,258	9,056,600
Other financial assets	26,941	85,052
<b>Loans</b>		
<b>Restricted deposits</b>		
<b>Total</b>	<b>112,576,680</b>	<b>100,224,338</b>
<b>Financial Liabilities</b>		
Measured at amortised cost:-		
Borrowings	144,686,964	162,164,693
<b>Acceptance</b>		
Trade payables	80,530,358	84,690,536
Other financial liabilities	31,155,418	12,423,969
<b>Total</b>	<b>256,372,740</b>	<b>259,279,198</b>

The following table shows the Levels within the hierarchy of financial assets and liabilities measured at fair value on a recurring basis:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: unobservable inputs for the asset or liability

Financial assets:-carrying value/fair value	March 2021	March 2020
Measured at fair value through profit and loss:		
Investments	2,096,113	2,058,191
<b>Total</b>	<b>2,096,113</b>	<b>2,058,191</b>

### Note 38 Micro, Small and Medium Enterprises

Pursuant to the Micro, Small and Medium Enterprise Development Act, 2006, the Company had asked for confirmation from its vendors regarding their status under the said Act. The Company is yet to receive verifiable confirmation from all the vendors and hence the amounts unpaid as at the year end together with interest payable if any, under this Act have been given as under.

(₹ in Lakhs)

	Particulars	As at	As at
		31/03/21	31/03/20
a)	the principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier at the end of each accounting year		
	Principal	208.70	68.89
	Interest	1.48	1.26
b)	the amount of interest paid by the buyer in terms of section 16 of the Micro Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	NIL	NIL
c)	the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;	NIL	NIL
d)	the amount of interest accrued and remaining unpaid at the end of each accounting year;	1.48	1.26
e)	the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006	NIL	NIL

### 39 Operating Leases

- a. At the reporting date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

(₹ in Lakhs)

Particulars	As at	As at
	31 March, 2021	31 March, 2020
Lease rental charges for the year	59.87	35.95
Future Lease rental obligation payable (under non-cancellable lease)	-	-
Not later than one year	55.67	43.34
Later than one year but not later than five years	58.45	45.52
Later than five years	-	-

- b. The total of future minimum sublease payment expected to be received under non-cancellable subleases at the end of reporting period is NIL
- c. Lease payments recognised as an expense in the period

#### 40 Earning per share

(₹ in Lakhs)

	Particulars	As at 31-03-2021	As at 31-03-2020
a)	Profit after tax attributable to equity shareholders of the company	41.88	99.66
b)	Weighted average number of equity shares (in numbers)	73.91	73.91
	Nominal value of equity shares	10.00	10.00
c)	Basic EPS	0.57	1.35
d)	Weighted average number of equity shares for diluted EPS (in numbers)	73.91	73.91
	Nominal value of equity shares	10.00	10.00
	Diluted EPS	0.57	1.35

#### 41 Auditors Remuneration

(₹ in Lakhs)

Particulars	As at 31-03-2021	As at 31-03-2020
<b>As auditor:</b>		
Statutory audit (including IFC)	3.50	3.50
<b>In other capacity:</b>		
Reimbursement of expenses	-	-

For and on behalf of the Board of Directors

**Abhishek Patel**  
Managing Director  
DIN 05183410

**Jagdish Dokwal**  
Chief financial officer

**Gauri Gangal**  
Company Secretary  
M. No: 52130

**Sheela Ayyar**  
Director  
DIN: 06656579

Mumbai  
28th June, 2021

# Form DPT 1

## CIRCULAR OR CIRCULAR IN THE FORM OF ADVERTISEMENT

### INVITING UNSECURED DEPOSITS

[Pursuant to section 73 (2)(a) and section 76 and rule 4(1) and 4(2) of the Companies (Acceptance of Deposits) Rules, 2014 ]

#### RISHI TECHTEX LIMITED

Registered Office: 612, Veena Killedar Industrial Estate,  
10-14 Pais Street, Byculla (West), Mumbai- 400011  
Website: [www.rishitechtextex.com](http://www.rishitechtextex.com) Tel No. 022-23075677/23074585  
Fax No. 022-23080022 CIN No. L28129MH1984PLC032008

#### GENERAL INFORMATION

- a) Date of incorporation of the company - February 7, 1984
- b) Business carried on by the company and its subsidiaries with the details of branches or units, if any;

**Nature of Business:** The Company is engaged in manufacture of HDPE/PP, Paper Laminated Bags and Shade nets.

**Units:** Village Kachigam, Taluka Daman, Union Territory of Daman And Diu.

The Company has no subsidiaries.

- c) Brief particulars of the management of the company;  
The Company is being managed by Managing Director under the superintendence, control and direction of the Board of Directors.
- d) Names, addresses, DIN and occupations of the directors;

Name of Directors	Address of Directors	DIN	Occupation
Mr. Abhishek Patel	8- B, Suvas Apartment, 68F, Neapeansea Road, Mumbai- 400006	05183410	Business
Mr. Pranav J. Patel	Flat No. 1001-1002 Premium Tower II, Shalimar Township, A. B. Road, Indore 452001- Madhya Pradesh	00171387	Business
Ms. SheelaAyyar	B-704, Florentine Building, Hiranandani Gardens, Powai, Mumbai-400076	06656579	Business
Mr. Kunal Rastogi	51 Mehr Naz, Cuffe Parade, Colaba, Mumbai 400005	01570584	Business

- e) Management's perception of risk factors;  
Cost of Raw Material: Volatility in the cost of raw materials due to instability of oil prices and fluctuation in exchange rate is leading variation in standard pricing.  
Interest Rate: High Rate of Interest rate is adversely affecting the earnings of the Company.
- f) Details of default, including the amount involved, duration of default and present status, in repayment of –
- statutory dues; Nil
  - debentures and interest thereon - Nil
  - loan from any bank or financial institution and interest thereon. Nil

#### PARTICULARS OF THE DEPOSIT SCHEME

- a. Date of passing of board resolution : May 29, 2014
- b. Date of passing of resolution in the general meeting authorizing the invitation of such deposits :September 30, 2014
- c. Type of deposits: Unsecured
- d. Amount which the company can raise by way of deposits as per the Act and the rules made thereunder:



- a. 10% of the aggregate of the paid up share capital and free reserves and Security Premium Account (Under Rule 3(1)(a)) – Rs.275.84 lacs  
Such Deposits are repayable not earlier than three months from the date of deposit or renewal thereof.
- b. 35% of the aggregate of the paid-up share capital and free reserves and Security Premium (under Rule 3(3)) – Rs.965.45 lacs  
The aggregate of deposits actually held on the last day of the immediately preceding financial year – Rs.45.00 lacs  
The date of issue of the Circular or advertisement – The effective date of issue of circular will be the date of dispatch of the circular.  
Amount of deposit proposed to be raised - 35% of the aggregate of the paid-up share capital and free reserves and Security Premium i.e. Rs.965.45 lacs  
Amount of deposit repayable within the next twelve months – Rs.5.00 lacs only
- e. Terms of raising of deposits :  
Duration – One to three years  
Rate of interest – 12.5%(Subject to changes from time to time)  
Mode of payment and repayment - By Cheque or any other mode except Cash
- f. Proposed time schedule mentioning the date of opening of the Scheme and the time period for which the circular or advertisement is valid - The Scheme will be opened after filing the approved circular with ROC.
- g. Reasons or objects of raising the deposits – The monies received as deposits will be utilised for the operations of the Company.
- h. Credit rating obtained; Company has received credit rating from CRISIL ratings wide its letter dated 17th April, 2021 for Long Term Rating: CRISIL BBB-/Stable and Short Term Rating: CRISIL A3.
- i. Short particulars of the charge created or to be created for securing such deposits - Not Applicable
- k. Any financial or other material interest of the directors, promoters or key managerial personnel in such deposits and the effect of such interest in so far as it is different from the interests of other persons - Nil

**DETAILS OF ANY OUTSTANDING DEPOSITS**

- a. Amount Outstanding – Rs.45.00 Lacss
- b. Date of acceptance –

Date of Acceptance	No. of Depositors	Amount of Deposit
28.02.2019	1	500000
28.02.2020	4	3000000
28.02.2021	2	1000000

- c. Total amount accepted – Rs. 45.00 lacs
- d. Rate of interest – 12.5%
- e. Total number of depositors –7
- f. Default, if any, in repayment of deposits and payment of interest thereon, if any, including number of depositors, amount and duration of default involved Nil
- g. Any waiver by the depositors, of interest accrued on deposits. - Nil



## FINANCIAL POSITION OF THE COMPANY

- a. Profits of the company, before and after making provision for tax, for the three financial years immediately preceding the date of issue of circular or advertisement;

(₹ In lacs)

Accounting Year	Profit Before Tax	Profit After Tax
Year ended 31.03.2019	404.25	292.17
Year ended 31.03.2020	221.54	99.66
Year ended 31.03.2021	60.06	41.88

- b. Dividends declared by the company in respect of the said three financial years; interest coverage ratio for last three years (Cash profit after tax plus interest paid or interest paid)

Accounting Year	Dividend on Equity Shares
Year ended 31.03.2019	Nil
Year ended 31.03.2020	Nil
Year ended 31.03.2021	Nil

- c. A summary of the financial position of the company as in the three audited balance sheets immediately preceding the date of issue of circular or advertisement;

(₹ In lacs)

	As at 31.03.2019	As at 31.03.2020	As at 31.03.2021
<b>Liabilities</b>			
Share Capital	739.10	739.10	739.10
Reserves & Surplus	1781.20	1880.17	2068.36
Non-Current Liabilities	453.65	627.09	810.07
Current Liabilities	2606.39	2741.04	2689.27
	5580.34	5987.40	6306.80
<b>Assets</b>			
Fixed Assets	1893.91	2183.14	2084.77
Investment	36.34	20.59	20.96
Other Non-Current Financial Assets	76.94	74.22	87.03
Current Assets	3573.15	3709.45	4054.28
	5580.34	5987.40	6306.80

- d. Audited Cash Flow Statement for the three years immediately preceding the date of issue of circular or advertisement;

(₹ In lacs)

	As at 31.03.2019	As at 31.03.2020	As at 31.03.2021
Net profit before tax & extraordinary items	404.25	221.54	60.06
Adjustment for Depreciation, Int. and other items	394.70	457.41	443.86
Operating profit before working capital change	798.95	678.95	503.92
(a) Cash generated from operations	764.41	573.13	96.06
(b) Cash flow from Investing Activities	(170.14)	(409.22)	(158.54)
(c) Cash Flow from Financing Activities	(373.14)	(146.20)	69.39
Net increase in cash & Cash equivalents (a+b+c)	109.04	(104.17)	(11.26)

	As at 31.03.2019	As at 31.03.2020	As at 31.03.2021
Opening Balance cash & Cash equivalents	15.80	124.84	20.67
Closing Balance cash & Cash equivalents	124.84	20.67	9.41

- e. Any change in accounting policies during the last three years and their effect on the profits and the reserves of the company – Nil

**DECLARATION BY THE DIRECTORS THAT-**

- a. the company has not defaulted in the repayment of deposits accepted either before or after the commencement of the Act or payment of interest on such deposits there on;
- b. the board of directors have satisfied themselves fully with respect to the affairs and prospects of the company and that they are of the opinion that having regard to the estimated future financial position of the company, the company will be able to meet its liabilities as and when they become due and that the company will not become insolvent within a period of one year from the date of issue of the circular or advertisement;
- c. the company has complied with the provisions of the Act and the rules made thereunder;
- d. the compliance with the Act and the rules does not imply that repayment of deposits is guaranteed by the Central Government;
- e. the deposits accepted by the company before the commencement of the Act have been repaid.
- f. In case of any adverse change in credit rating, depositors will be given a chance to withdraw deposits without any penalty.
- g. the deposits shall be used only for the purposes indicated in the Circular or circular in the form of advertisement;
- h. the deposits accepted by the company are unsecured and rank paripassu with other unsecured liabilities of the company.
  1. Mr. Abhishek Patel :
  2. Mr. Pranav Patel :
  3. Mr. Kunal Rastogi :
  4. Ms. Sheela Ayyar :

Date: 28th June, 2021

Place: Mumbai



#### **UPDATION OF EMAIL ID**

Kindly ensure to update your fresh Email ID with the Company/Depository, in case if you have not updated or changed the same.

#### **UPDATION OF PAN AND BANK MANDATE**

Kindly ensure to update your PAN and Bank mandate with the Company/ Depository.

#### **UPDATION OF ADDRESS**

Kindly ensure to update your latest address with the Company/Depository.

Shareholders are requested to write to the Company on [investors@rishitechtext.com](mailto:investors@rishitechtext.com); [info@rishitechtext.com](mailto:info@rishitechtext.com) to opt an option to receive Annual Report in electronic mode. Alternatively, Shareholders can send a letter to the Registered Office of the Company for the same.

#### **GREEN INITIATIVE**

As a Green Initiative, you are requested to opt for receipt of Annual Report in Electronic mode.

#### **BENEFICIAL OWNER DISCLOSURE**

All Shareholders who directly or indirectly hold more than 10% shares in the Company and any change therein; are requested to communicate the same in Form BEN -1 available on the website of the Company.



**Registered Office:**

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612, Veena Killedar Industrial Estate, 10/14, Pais Street,  
Byculla (W), Mumbai - 400 011.

Tel. : 022-23074897 / 23074585 / 23075677  
Fax : 022-23080022

E-mail : [info@rishitechtext.com](mailto:info@rishitechtext.com)