



RISHI TECHTEX

Rishi Techtex Limited

Stable.
Sustainable.
Sure.

2021-2022



Forward Looking Statement

In this Annual Report, we have disclosed forward-looking information to enable one to fully appreciate our prospects and take informed 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, wherever 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.

Achievement of results is subject to risks, uncertainties, and potentially inaccurate assumptions. Should known or unknown risks or uncertainties materialise, 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.

For private and limited circulation only.

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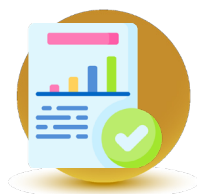
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At a Glance

ABOUT US

Incorporated in

1984,

Rishi Techtex is India's leading technical textiles manufacturer.

FOCUS SEGMENTS



Agritech



Packtech



Protech



Buildtech

PLANT LOCATIONS



Vapi

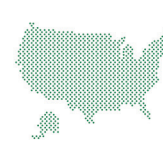


Daman

FOOTPRINTS



11 countries worldwide including USA, Qatar, Netherlands, South Africa, New Zealand, United Kingdom, UAE, Nigeria, Saudi Arabia, Guatemala, Oman.



USA



QATAR



NETHERLANDS



SOUTH AFRICA



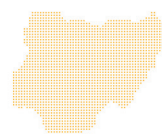
NEWZEALAND



UNITED KINGDOM



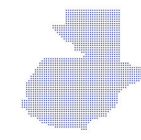
UAE



NIGERIA



SAUDI ARABIA



GUATEMALA



OMAN

ACCREDITATIONS

- Accredited as a Star Export House with the Directorate General of Foreign Trade, Ministry of Commerce & Industry, Government of India
- Registered as a MSME with the Ministry of Micro, Small & Medium Enterprises, Government of India
- Quality management systems certified by the International Organization for Standardization (ISO) under ISO 9001:2015
- Agro shade nets approved by the Bureau of Indian Standards (BIS)



Corporate Information

BOARD OF DIRECTORS

Mr. Abhishek Patel

Managing Director
DIN: 05183410

Mrs. Sheela Ayyar

Independent Director
DIN: 06656579

Mr. Pranav J. Patel

Non-Executive Director
(Resigned w.e.f. 08.08.2022)
DIN:00171387

Mr. Kunal Rastogi

Independent Director
DIN: 01570584

Ms. Aakanksha Patel

Additional Director
(w.e.f. 08.08.2022)
DIN: 08314319

COMPANY OFFICIALS

Jagdish Dokwal

Chief Financial Officer

Gauri Gangal

Company Secretary

COMPANY DETAILS

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.

STATUTORY AUDITOR

Attar & Associates

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

SECRETARIAL AUDITOR

Sudhanwa S Kalamkar & Associates

No. 203, 2nd Floor, Flying Colors,
Pandit Deen Dayal Upadhyay Marg,
Above "Croma",
Mulund West, Mumbai – 400 080.

INTERNAL AUDITOR

HRK Corp Advice Private Limited

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

BANKERS

Canara Bank

Tamarind Lane Branch,
Crossly House, British Hotel Lane, Fort,
Mumbai – 400 001.

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

INCOME FROM OPERATIONS

(INR Lakhs)

2018	6,767.55
2019	8,397.25
2020	7,622.39
2021	8,106.79
2022	10,085.75

PROFITS BEFORE TAX

(INR Lakhs)

2018	315.58
2019	404.25
2020	221.54
2021	60.06
2022	209.47

DEBT EQUITY RATIO

(%)

2018	0.96
2019	0.91
2020	0.96
2021	0.96
2022	0.98

EARNINGS PER SHARE

(INR)

2018	3.42
2019	3.95
2020	1.35
2021	0.57
2022	1.78

Key Metrics

REVENUES

INR

100.86 crores



▲ 24.4%
OVER FY21

EBIDTA MARGINS

6.29%



▲ 2.6%
OVER FY21

RESERVES AND SURPLUS

INR

21.99 crores

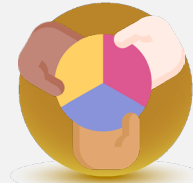


▲ 6.3%
OVER FY21

BOOK VALUE PER SHARE

INR

39.76



▲ 4.7%
OVER FY21

RETURN ON CAPITAL EMPLOYED (ROCE)

10.55%



▲ 32.4%
OVER FY21

Key Numbers At A Glance

Profit & Loss Account:	2018	2019	2020	2021	2022
Revenue (Net)	6,767.55	8,397.25	7,622.39	8,106.79	10,085.75
Total Income	6,789.12	8,411.50	7,663.00	8,122.45	10,108.44
EBIDTA (Excluding Other Income)	628.92	827.61	607.76	496.69	634.89
Profit/(Loss) Before Tax (PBT)	315.58	404.25	221.54	60.06	209.47
Profit/(Loss) After Tax (PAT)	252.91	292.17	99.66	41.88	131.85
Balance Sheet:					
Equity Capital	739.10	739.10	739.10	739.10	739.10
Reserves & Surplus	1,489.98	1,781.20	1,880.17	2,068.36	2,199.32
Net worth	2,229.08	2,520.30	2,619.27	2,807.46	2,938.42
Loan Funds	554.45	427.22	558.02	921.48	1,058.86
Current Liabilities	2,262.57	2,511.40	2,616.81	2,377.71	2,456.33
Other Liabilities	134.89	121.42	193.30	200.15	226.45
Total Liabilities	5,180.99	5,580.34	5,987.40	6,306.80	6,680.06
Gross Block Including CWIP	4,381.48	4,565.31	4,821.37	4,982.38	5,376.03
Accumulated Depreciation	2,476.57	2,671.40	2,638.23	2,837.85	2,969.29
Net Block	1,904.91	1,893.91	2,183.14	2,144.53	2,406.74
Investments	37.28	36.34	20.59	20.96	20.07
Sundry Debtors	1,004.30	1,017.77	910.83	1,033.98	1,199.55
Inventories	1,690.91	2,082.37	2,447.21	2,596.20	2,563.57
Other Current Assets	468.13	473.01	351.41	424.10	408.80
Total Current Assets	3,163.34	3,573.15	3,709.45	4,054.28	4,171.92
Other Assets	75.46	76.94	74.22	87.03	81.33
Total Assets	5,180.99	5,580.34	5,987.40	6,306.80	6,680.06
Ratio Analysis:					
EBIDTA Margin (%) (Excluding Other Income)	9.29	9.86	7.97	6.13	6.29
PAT Margin (%)	3.74	3.48	1.31	0.52	1.31
Debt-Equity Ratio	0.96	0.91	0.96	0.96	0.98
Total Assets Turnover	1.31	1.50	1.27	1.29	1.51
Fixed Assets Turnover	3.55	4.43	3.49	3.78	4.19
ROCE (%)	17.04	21.47	13.49	7.97	10.55
Debtors-Turnover Ratio (%)	14.84	12.12	11.95	12.75	11.89
Inventory-Turnover Ratio (%)	24.99	24.80	32.11	32.03	25.42
Interest Coverage Ratio	2.75	2.77	1.89	1.24	1.89
Current Ratio	1.40	1.42	1.42	1.71	1.70
Operating Profit Margin (%)	9.29	9.86	7.97	6.13	6.29
Net Profit Margin (%)	4.66	4.81	2.91	0.74	2.08
Any Changes of Return of Net Worth. (Return on Equity)	4.27	5.47	3.00	0.81	2.83
Ratios-Per Share					
Earnings Per Share (Rs.₹)	3.42	3.95	1.35	0.57	1.78
Dividend Per Share (Rs.₹)	0.00	0.00	0.00	0.00	0.00
Book Value Per Share (Rs.₹)	30.16	34.10	35.44	37.98	39.76

Our Mission & Principles

Our Mission

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

Our Vision

We aim to become a high-quality specialty, science-led, Indian technical textile company.

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

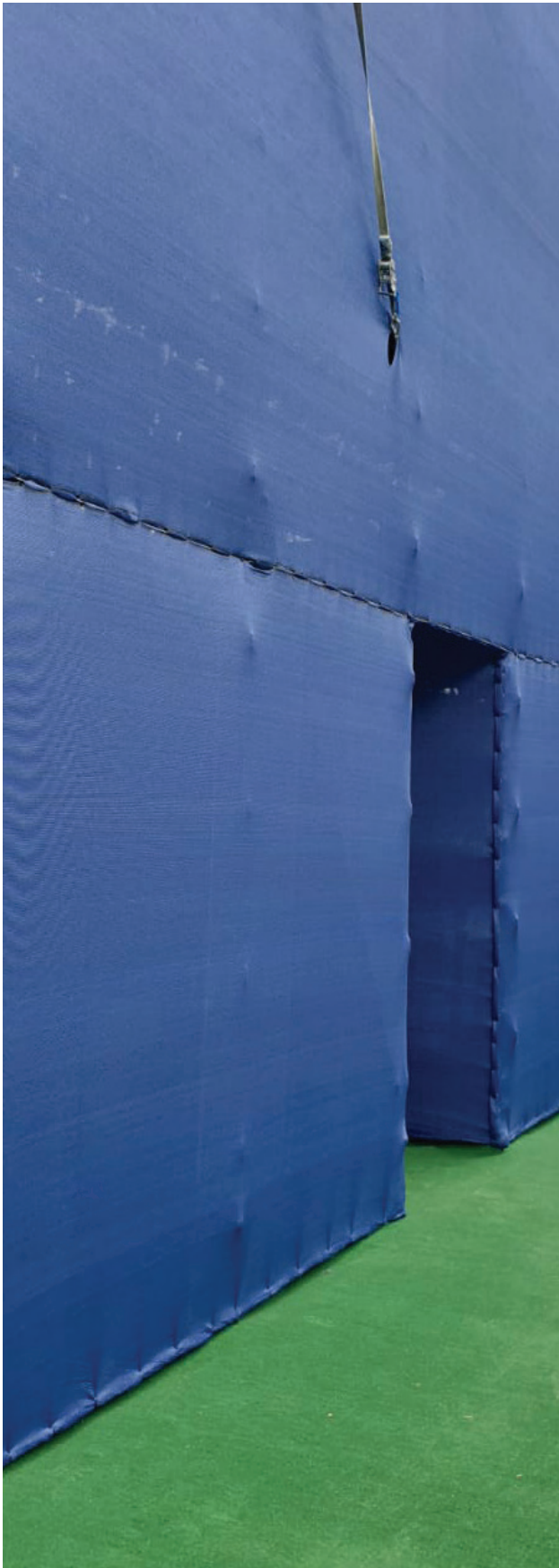
We are open, honest and accountable in our relationships with everyone, both internally and externally.



Responsibility

We build trust by delivering exceptional value to our customers.

Message from the Managing Director



Stable. Sustainable. Sure.

Dear Investors,

FY22 was a milestone year in the three-decade history of Rishi Techtext. We crossed INR 100 crores in revenues – a feat that was possible due to the outstanding work of my colleagues, the unwavering trust of our customers, the unstinted support of our partners and the steadfast confidence of our investors. The strong results are also a testimony to my long-term beliefs:

- 🔗 **Our strategy delivers a *Stable* performance.**
- 🔗 **Our actions support *Sustainable* profits.**
- 🔗 **We are *Sure* about the future.**

Here are the key highlights from FY22 that reinforce my confidence in our strategy and our future:



Revenue growth by **~25%** year-on-year to
INR 100.86 crores



Increased footprint customers in
both **domestic** and
global markets

30 million bags

supplied sacks – the highest
in our company history



We were accredited as a
StarExport House
with the Directorate General of
Foreign Trade, Ministry of
Commerce & Industry, Government
of India

Our performance during the last year was a result of the robust policies that we put in place before the pandemic. It is a result of a larger vision that we had undertaken when I took over the mantle of the Managing Director in 2016 – that of delivering consistent growth.

During the year, we registered gross profits of INR 2.09 crores and net profits of INR 1.32 crores. While the profitability levels have registered an increase over FY21, they were not at par with our expectations. The discrepancy in the growth and returns is attributed to several factors:

◀ The top line income was channeled to strengthen our basics

Growth without strong fundamentals is fragile. Hence, in FY22, we directed a major portion of our revenues to fortify the core of our business. During the year, we completed the installation of all the four automatic finishing machines in the back unit – a project that we initiated in FY21. While this significantly enhanced our production capacity and manual intervention, our labor costs remained unchanged because of the time taken to transition to fully automated processes – the benefits will accrue in the near future.

◀ We operated in highly competitive and constrained markets

During the year, we continued to face pricing pressures due to a highly competitive market scenario. In order to retain market share & garner more business from existing customers, we negotiated on our margins. Additionally, revenues from government-related business continued to be constrained due to the continuing effects of the pandemic. The slowdown in the economy resulted in the government floating fewer tenders.

“ We crossed INR 100 crores in revenues – a feat that was possible due to the outstanding work of my colleagues, the unwavering trust of our customers, the unstinted support of our partners and the steadfast confidence of our investors. ”

◀ Macroeconomic factors played their part

While we were focused on building a better, stronger enterprise, the backdrop of volatile economic conditions continued to play its role. Market volatility owing to fears of inflation and new COVID-19 variants presented challenges to economic recovery efforts. This is compounded by accelerated geopolitical tensions such as the outbreak of the Russia-Ukraine war and changing diplomatic dynamics. These instabilities decreased our export sales to <15% of overall revenues during the year as against the norm of >25%. Additionally, supply chain challenges and high raw materials costs adversely affected our bottom line.

I am confident that our response to the challenges we faced during the last fiscal will create opportunities for the next few years. Going forward, we will focus on translating the high growth numbers into greater profitability.



Printing machine at the Daman facility

Here's how:

🔗 Our strategy empowers a *Stable* performance

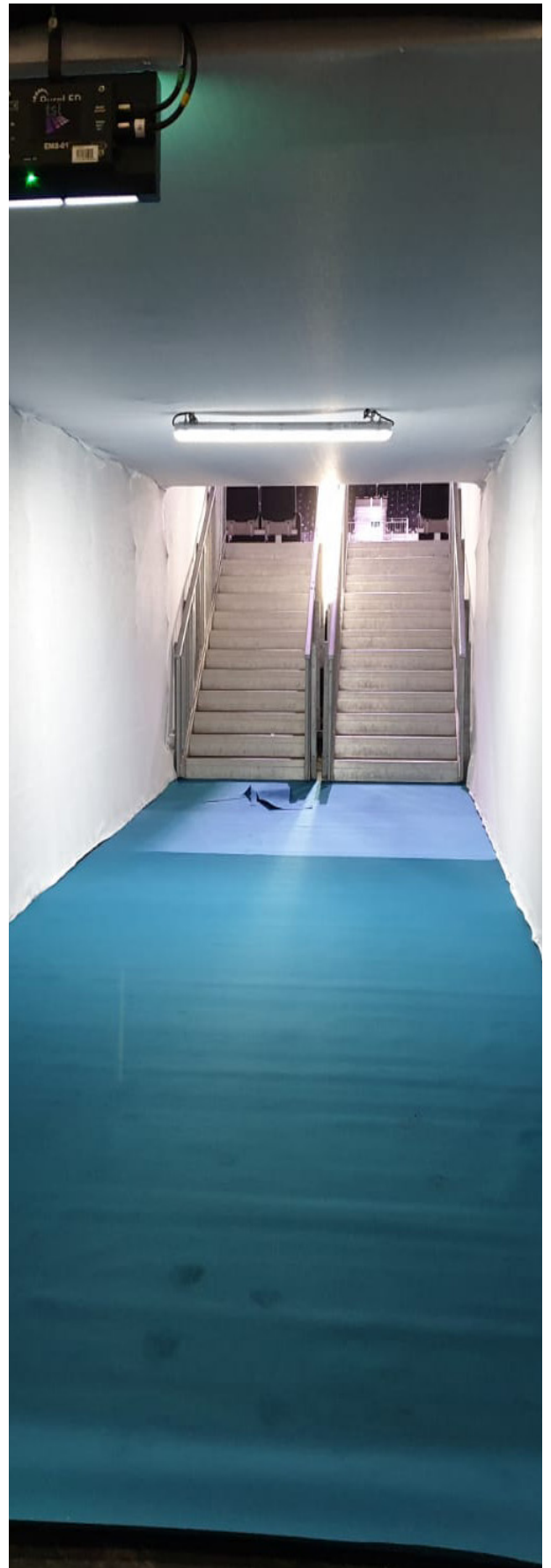
Over the last few years, we have enhanced technological integration in our processes by investing in new machinery and refurbishing the entire set-up, leading to substantial cost and resource savings for customers.

For instance, while the strategy of reduced profit margins but greater business volumes may seem unfavorable in the short-term, we expect it to deliver proportionate returns with our investments towards manufacturing excellence. A combination of increased output, reduced production time and decreased input costs will enable us to better capitalize business opportunities. For instance, the new high-speed knitting machine installed at our Daman plant runs at the speed of 600 RPM as against 300 RPM of a normal knitting machine – thereby doubling the output. The superior technology lends to the versatility of the machine usage for all types of raschel fabric in all patterns.

Another strategy would be to concentrate on the right sub-sectors within the larger segments of our business focus. To cite an example, India is expected to become the world's third largest construction market in 2022.

It is one of the main focus sectors for the woven bags division at Rishi TechTex. However, over the last year, we have observed that supplying woven bags to the paint and varnishes industry is more profitable than the cement sector. While the latter has a high demand, the low margins relegate its profitability. Hence, going forward, our focus will be to collaborate with paint manufacturers.

We have been leading suppliers to one of India's largest paint manufacturers for a long time now. During the last year, the increase in their business volume prompted us to collaborate with new vendors across the nation. These include vendors in Kanpur, Uttar Pradesh;



Bharuch, Gujarat; Kishanganj, Rajasthan and Guwahati, Assam.

Further, we have worked to modify our approach to debt & internal accruals and do business with greater financial discipline. Consequently, there has been an improvement in all financial leverages. Over the last five years, our debt-equity ratio has averaged around 0.95. Our debtors-turnover ratio has decreased by ~20% since FY18. On the other hand, our organization's net worth has increased to the tune of ~32% during this period.

Our strategic efforts will help us to steadily increase our market share, scale and relevance. These are at the crux of our commitment towards accelerating growth for our customers, safeguarding stakeholder interests, conducting business responsibly and enhancing the sustainability of our planet.

🔍 Our actions support Sustainable profits

Even before the outbreak of the COVID-19 pandemic two years ago, the world had changed drastically – from demographic and social change to shifts in economic power to technological breakthroughs and natural resource scarcities. We have fine-tuned our business approach and de-risking strategy to respond to these disruptions resiliently, ensuring business continuity even in the most uncertain times and delivering sustained value to all our stakeholders.

One way we are doing this is by manufacturing best-in-class products and automating processes. I am happy to note that we completed a major portion of the automation during the last fiscal. Besides the new knitting machine, we have converted the creel machines to the beam versions at the Vapi plant.

This move will enable us to execute minor orders and optimize business opportunities of all sizes. Earlier, it was difficult to run the machinery for small production output.

We also added a new reprocess plant at Daman in FY22. The new plant enhances our production capacity by 50% and reduces labor costs proportionately. These machine upgrades are a part of our sustained capex investments that we have done over the last three years. The strategy insulates us from labor-related volatility, enhances the efficiency of our processes and reduces input costs significantly. Additionally, investments in backend digitization expand management bandwidth by enabling efficient monitoring of efforts & outputs and swift identification of cost redundancies.

Our outstanding product quality has enabled us to optimize international business opportunities even during times fraught with geopolitical challenges. In FY22, we supplied nets for prestigious events in England, including the London International Horse Show in London, Goodwood Motor Circuit and the Gloucestershire County Cricket Club.

Another way we are securing future performance is by steadily investing in the research and development of new products. In FY22, our team introduced new products across the different lines of business in domestic and foreign markets. We developed two new products in the Raschel Department – one of which was for a customer based in Saudi Arabia while the other innovation was for domestic markets. In the Woven Department, we expanded to new segments and acquired customers in the tile adhesive and wall putty segments.

We are Sure about the future

These are exciting times to be a part of India's technical textile sector. The National Textile Mission aims to augment the size of India's technical textile industry to USD 40-50 billion by 2024. To put the numbers in perspective, in 2020, the size of the industry was pegged at USD 18.89 billion. It is pertinent to note that between 2020 and 2025, India's technical textile market is likely to grow at a CAGR of 8.25% as against the global market rate of 5.06%.

The government's support to boost technical textile exports and create avenues for higher domestic production to achieve import substitution and move towards an *Atmanirbhar Bharat* is commendable. In FY22, the domestic revenues at Rishi TechTex registered a 84% year-on-year increase, whereas the revenues from exports decreased to 16% as against 19% in the previous fiscal.

Further, a recent report by the Textile Ministry reveals that within India's technical textile industry, the segments of Oekotech, Protech, Mobiltech, Geotech, Indutech, Agrotech and Buildtech are expected to grow at a CAGR of more than 10%. It would be worthwhile to note that Rishi TechTex has a prominent presence in three out of the seven aforementioned segments.

In addition, we are aware that the sustainability of our products will determine their relevance and demand in today's eco-conscious world. Herein, I would like to mention that the bags manufactured by Rishi TechTex are 100% recyclable. In fact, we have a policy whereby we recycle the empty bags returned to us by customers into different products.

I would also like to highlight that relentless focus on integrity and governance at Rishi TechTex secures our future prospects over and above everything else. I firmly

believe that our commitment to do the right thing, irrespective of prevailing circumstances, has enabled us to withstand challenges and contributed to our success. Our culture of cohesiveness and the wisdom of our board members will continue empowering us to deliver positive results.

As I come to the end of my letter, I take this opportunity to thank our employees for their efforts, our customers for their trust, our vendors for their cooperation, our regulators for their supervision and our investors for their confidence in our abilities. These are the pillars of our growth journey. The same factors will drive our success as we set out to build a more stable, more sustainable, and surer future.

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

Yours sincerely,

Abhishek Patel
Managing Director

Our Businesses

DIVISION: KNITTED DIVISION

CAPACITY: 3000 MTPA



PRODUCTS:

AGROTECH

- # Shade nets
- # Mulch Nets
- # Crop Covers

END - USER INDUSTRIES:

- # Agriculture
- # Aquaculture



BUILDTECH

- # Architectural membranes
- # Scaffolding nets
- # Awnings & canopies for car parking, etc.
- # Floor and wall coverings like swimming pool covers, deck & patio covers
- # High-end hoardings and signages

- # Construction
- # Engineering

DIVISION: WOVEN DIVISION

CAPACITY: 5000 MTPA



PRODUCTS:

PROTECH

- # Fire retardant nets

END - USER INDUSTRIES:

- # Construction Industries



PACKTECH

- # Woven sacks

- # Cement
- # Paint
- # Petrochemicals

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 Eighth Annual General Meeting of the Members of Rishi Techtext Limited will be held on Monday, 26th September, 2022 at 11.00 a.m. through Video Conferencing ('VC') / Other Audio Visual Means ('OAVM') to transact the following business:

AS ORDINARY BUSINESS:

- 1 To receive, consider and adopt the audited financial statements of the Company for the financial year ended 31st March, 2022 and the Report of the Board of Directors and Auditors thereon.**

AS SPECIAL BUSINESS:

- 2 To Appoint Ms. Aakanksha Patel as a 'Non-Executive, Non-Independent' Director**

To consider and, if thought fit, to pass the following Resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 and 161 of the Companies Act, 2013 ("the Act") read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and such other applicable provisions, if any, of the Act and the Rules framed there under, the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") (including any statutory amendment(s) / modification(s) / re-enactment(s) thereof for the time being in force) and, upon recommendation of the Nomination and Remuneration Committee and the Board of Directors of the Company, the consent of the Members of the Company be and is hereby accorded for appointment of Ms. Aakanksha Patel (DIN: 08314319) in respect of whom the Company has received a notice in writing from a Member under Section 160(1) of the Act proposing her candidature to the office of Director of the Company, be and is hereby appointed as a "Non-Executive Non-Independent Director", liable to retire by rotation.

RESOLVED FURTHER THAT a copy of the foregoing resolution certified to be true by any Director of the Company or the Chief Financial Officer or the Company Secretary be furnished to the concerned authority(ies) / person(s) and they be requested to act accordingly."

- 3 To approve material transaction with Centennial Fabrics Limited, a Related Party**

To consider and, if thought fit, to pass the following Resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of section 188 of Companies Act, 2013 ("the Act") read with Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014, Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations") for the time being in force (including any statutory modification(s) or re-enactment thereof), read with the applicable provisions of the Act, if any, read with related rules, if any, as amended from time to time and based on to the Company's Policy on Materiality of Related Party Transactions as also dealing with Related Party Transactions, consent of the Members be and is hereby accorded for the Company to enter into and carry on, contract(s)/ arrangement(s)/ transaction(s) (Whether by way of an individual or transactions taken together or series of transactions or otherwise) with Centennial Fabrics Limited, a related party within the meaning of Section 2(76) of the Act, and Regulation 2(1)(zb) of the Listing Regulations, for an aggregate value upto ₹ 65 crore (Rupees Sixty Five Crore only) over a period of 24 months effective from 1st April, 2022, as set out in the Explanatory Statement annexed hereto on such terms and conditions as may be agreed to by the Board of Directors (hereinafter referred to as "the Board", which term shall include any committee(s) constituted or to be constituted by the Board to exercise the powers conferred on the Board by this Resolution) provided that the transactions so carried out shall at all times be on an arm's length basis and in the ordinary course of the Company's business."

"RESOLVED FURTHER THAT the Board be and is hereby authorised to do all such acts, deeds and things and to take all such steps as may be necessary for the purpose of giving effect to this Resolution."

"RESOLVED FURTHER THAT all actions taken by the Board or any person so authorized by the Board, in connection with any matter referred to or contemplated in any of the foregoing resolution(s), be and are hereby approved, ratified and confirmed in all respects"

- 4 To approve re-appointment and remuneration of Mr. Abhishek Harshad Patel (DIN: 05183410) as Managing Director of the Company**

To consider and, if thought fit, to pass the following Resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 196, 197, 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), Regulation 17(6)(e) and other applicable provisions, if any, of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s), amendment(s) or re-enactment thereof) and Articles of Association of the Company and pursuant to recommendation of the Nomination and Remuneration Committee, and subject to approval of any other authorities that may be required, the Company hereby

approves, the re-appointment of Mr. Abhishek Patel (DIN: 05183410), as the Managing Director of the Company for a period of three (3) years commencing from 01st April, 2023 till 31st March, 2026, at a consolidated remuneration (including perquisites except those mentioned in Section IV of Part II of Schedule V) not exceeding Rs. 12 Lakhs per month, and on such other terms and conditions as laid down in the agreement to be entered into between the Company and Mr. Abhishek Patel;

“RESOLVED FURTHER THAT the Board of Directors and / or Company Secretary and Compliance Officer and / or Chief Financial Officer of the Company be and are hereby severally authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution.”

Date: 08.08.2022

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**

Overview

Management Discussion & Analysis

Report & Financials

Standalone Financial Statements



NOTES:

1. In view of the COVID-19 pandemic, the Ministry of Corporate Affairs ("MCA") vide its General Circular No. 14/2020 dated 08th April, 2020, Circular No. 17/2020 dated 13th April, 2020, Circular No. 20/2020 dated 05th May, 2020, Circular No. 02/2021 dated 13th January, 2021, Circular No. 21/2021 dated 14th December, 2021 and Circular No. 02/2022 dated 05th May, 2022 (collectively "MCA Circulars") and Securities and Exchange Board of India ("SEBI") vide its Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12th May, 2020, Circular No. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated 15th January, 2021 and Circular No. SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated 13th May, 2022 (collectively "SEBI Circulars"), have permitted companies to conduct Annual General Meeting ("AGM") through Video Conferencing ("VC") or Other Audio Visual Means ("OAVM"), subject to compliance of various conditions mentioned therein. In compliance with the aforesaid MCA Circulars and SEBI Circulars and the applicable provisions of the Companies Act, 2013 ("the Act") and rules made there under and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), the 38th AGM of the Company is being held through VC/OAVM on Monday, 26th September, 2022 at 11.00 a.m. The deemed venue for the 38th AGM will be registered office of the Company i.e. 612, Veena Killedar Industrial Estate, 10-14, Pais Street, Byculla (West), Mumbai 400011.
2. The relevant explanatory statement pursuant to section 102 of the Act is annexed hereto.
3. Disclosure pursuant to Regulation 36(3) of the SEBI Listing Regulations and Secretarial Standards on General Meetings (SS-2), with respect to Directors seeking appointment/re-appointment at the 38th AGM is annexed hereto.
4. 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 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.
5. 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.
6. The Members can join the 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 AGM through VC/OAVM will be made available to atleast 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
7. Institutional / Corporate Shareholders (i.e. other than individuals / HUF, NRI, etc.) are required to send a scanned 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.
8. In case of the Joint holders attending the 38th AGM, only such joint holder who is higher in the order of names will be entitled to vote.
9. 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.
10. Updation of PAN and other details
SEBI vide Circular dated 03rd November, 2021 and 14th December, 2021 has mandated furnishing of PAN, KYC details (i.e., Postal Address with Pin Code, e-mail address, mobile number, bank account details) and nomination details by holders of physical securities through Form ISR-1, Form ISR-2 and Form ISR-3 (as applicable) available at www.rishitechtext.com. PAN details are to be compulsorily linked to Aadhaar by 31st March, 2023 or any other date specified by Central Board of Direct Taxes. Folios wherein any of the above cited documents/details are not available, on or after 01st April, 2023, shall be frozen as per the aforesaid circular.

Effective from 01st January, 2022, any service requests/complaints received from a member holding physical securities will not be processed by the Registrar till the aforesaid details/documents are provided to the Registrar.

The Company has sent individual letters to all the members holding shares of the Company in physical form for furnishing their PAN, KYC details and Nomination.
11. 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.
12. Members may please note that SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated 25th January, 2022 has mandated Listed Companies to issue securities in demat form only while processing service requests viz. Issue of duplicate securities certificate, claim from Unclaimed Suspense Account, Renewal/ Exchange of securities certificate, Endorsement, Sub-division/ splitting

of securities certificate, Consolidation of securities certificates/folios, Transmission and Transposition. Accordingly, Members are requested to make service requests by submitting a duly filled and signed Form ISR-4 available at www.rishitechtext.com.

13. 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.
14. In compliance with the MCA Circulars and the Securities and Exchange Board of India ('SEBI') Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12th May, 2020, Circular No. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated 15th January, 2021 and Circular No. SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated 13th May, 2022, Notice of the 38th AGM along with the Annual Report for Financial Year 2021-22 is being sent only through electronic mode to those Members whose e-mail addresses are registered with the Company/ National Securities Depository Limited and Central Depository Services (India) Limited ("Depositories"). A copy of this Notice along with the Annual Report for Financial Year 2021-22 is uploaded on the Company's website www.rishitechtext.com, at website of the Stock Exchange i.e. The BSE Limited at www.bseindia.com and on the website of Central Depository Services (India) Limited (CDSL) at www.evotingindia.com.
15. 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.
16. Members who wish to inspect the statutory documents or relevant documents referred to in the notice can send an email to info@rishitechtext.com upto the date of the 38th AGM.
17. Since the AGM will be held through VC / OAVM, the Route Map is not annexed in this Notice. The deemed venue for the 38th AGM shall be the Registered Office of the Company.
18. The Register of Members and Share Transfer Books of the Company will remain closed from 20.09.2022 to 26.09.2022 (both days inclusive).
19. 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 FY 18-19 and subsequent 4 Financial Years, 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 Eighth AGM.
20. 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, 19th September, 2022 may follow the same instructions as mentioned below for E-voting.
21. All documents referred to in the Notice shall be made available for inspection by the Members of the Company, without payment of fees upto 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.

22. Voting through electronic means (Remote E-Voting):

1. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and 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 AGM will be provided by CDSL.
2. 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.
3. 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. 19th September, 2022.
4. 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.
5. Once the vote on resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.

6. 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.
7. 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.
8. The results declared along with the Scrutinizer's Report shall be placed on the website of the Company www.rishitechtext.com and on the website of CDSL 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:

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

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

- (i) The voting period begins on Thursday, 22nd September, 2022 a (9:00 a.m. IST) and ends on Sunday, 25th September, 2022 (5:00 p.m. IST) During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of Monday, 19th September, 2022 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) Pursuant to SEBI Circular No. **SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020**, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

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

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

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

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

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

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

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	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30



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

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

- 1) The shareholders should log on to the e-voting website www.evotingindia.com.
- 2) Click on "Shareholders" module.
- 3) Now enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
- 4) Next enter the Image Verification as displayed and Click on Login.
- 5) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier 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 Physical shareholders and other than individual shareholders holding shares in Demat.

PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)
	* 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.
Dividend Bank Details	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.
OR Date of Birth (DOB)	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.

- (vi) After entering these details appropriately, click on "SUBMIT" tab.
- (vii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (viii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (ix) Click on the EVSN for the relevant <Company Name> (Rishi Techtex Limited) on which you choose to vote.
- (x) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xi) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xii) After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xiii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xiv) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xv) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xvi) There is also an optional provision to upload BR/POA if any uploaded, which will be made available to scrutinizer for verification.
- (xvii) **Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.**
 - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com 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.

- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login will be mapped automatically & can be delink in case of any wrong mapping.
- It is Mandatory that, a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively Non Individual shareholders are required mandatory to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; 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 THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER:

1. The procedure for attending meeting & e-Voting on the day of the AGM is same as the instructions mentioned above for e-voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.
3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.
4. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
6. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
7. 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 (Seven) days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at info@rishitechtext.com. The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance **7 (seven) days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at info@rishitechtext.com. 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 through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
10. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders may be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

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

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to **Company/RTA email id**.
2. For Demat shareholders -, Please update your email id & mobile no. with your respective **Depository Participant (DP)**
3. **For Individual Demat shareholders - Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.**

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33

All grievances connected with the facility of 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 or call toll free no. 1800 22 55 33.

Date: 08.08.2022

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

EXPLANATORY STATEMENT UNDER SECTION 102(1) OF THE COMPANIES ACT 2013**Item No. 2****Appointment Of Ms. Aakanksha Harshad Patel as A “Non-Executive Non-Independent Director” of the Company:**

The Nomination and Remuneration Committee and the Board of Directors of the Company at its Meetings held on Monday, August 08, 2022, had recommended and approved appointment of Ms. Aakanksha Harshad Patel (DIN: 08314319) as an “Additional Director (Non-Executive)” of the Company with effect from August 08, 2022, subject to approval of the Shareholders of the Company. In compliance with the provisions of Regulation 17(1C) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any amendment(s) / modification(s) / re-enactment(s) thereto), it is necessary to obtain the approval of Shareholders of the Company for appointment of Ms. Aakanksha Harshad Patel as a “Director (Non- Executive Non-Independent)” of the Company within a time period of 3 (three) months from the date of appointment.

The Company has received the consent from Ms. Aakanksha Harshad Patel to act as “Director” along with her declaration confirming that she is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013. She has also confirmed that she is not debarred from holding office of Director by virtue of any order of SEBI or any other such authority. The brief profile of Ms. Aakanksha Harshad Patel, along with her other details are attached with this Notice.

Ms. Aakanksha Patel holds a Bachelor’s Degree in Fashion Marketing and Promotion and has a vast experience of approximately 10 years in independently handling client account related activities, client management, business development which in the opinion of Board will help the Company in aggressive marketing of its products and may help to create a new segment of customers apart from conventional customers.

The Board is of the opinion that Ms. Aakanksha Harshad Patel’s expertise in the fields of business management and capital strategy and investments would be an asset to the Company’s development and progress. Ms. Aakanksha Harshad Patel is part of the Promoter Group of the Company. She is the sister of Mr. Abhishek Harshad Patel, Managing Director. Mr. Abhishek Harshad Patel and Ms. Aakanksha Harshad Patel, are interested in the resolution.

Details as required pursuant to Regulation 36(3) of the Listing Regulations and the Secretarial Standards-2 on General Meetings, as applicable are provided as an Annexure to the Notice as **Annexure A**.

None of the other Directors, Key Managerial Personnel of the Company or their relatives are interested or concerned, financially or otherwise in the said Resolution except to the extent of their respective shareholding, if any.

The Board of Directors is of the opinion that the aforesaid proposal is in the best interest of the Company and hence, the Board recommends passing of the ORDINARY RESOLUTION set out for approval of the Members.

Item No. 3**Approval of Material transaction with Centennial Fabrics Limited, a Related Party**

As per the provisions of Section 188 of the Companies Act, 2013 (“Act”), transactions with related parties which are on an arm’s length basis and in the ordinary course of business, does not require prior approval of the shareholders unless the value of transaction with related party exceeds the threshold provided by Rule 15 of Companies (Meetings of Board and its Powers) Rules, 2014. Effective 1st April, 2022 a new provision contained in Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”), transactions between the Company and related parties of the Company, if material, require the approval of Members through a resolution, notwithstanding the fact that the same are on an arm’s length basis and in the ordinary course of business.

With effect from 1st April, 2022, Regulation 23 of the Listing Regulations, mandates obtaining prior approval of the Members through ordinary resolution for all ‘material’ Related Party Transactions’. For this purpose, a Related Party Transaction will be considered ‘material’ if the transaction(s) to be entered into individually or taken together with previous transactions during a financial year exceeds ₹ 1,000 crore or 10% of the annual consolidated turnover of the Company as per the last audited financial statements of the Company, whichever is lower.

The Company in the ordinary course of its business and on arm’s length basis, purchase Liner for the purpose of insertion in Plastic Laminated bags manufactured by it from Centennial Fabrics Limited. Mrs. Smita Patel, is a part of Promoter group of Rishi Techtext Limited who holds majority stake in Centennial Fabrics Limited and Mr. Jagdish Dokwal, Key Managerial Personnel of Rishi Techtext Limited is Director of Centennial Fabrics Limited; therefore Centennial Fabrics Limited is a related party within the meaning of Section 2(76) of the Companies Act, 2013 and Regulation 2(1)(zb) of the Listing Regulations.

During the Financial Year 2022-2023 the Company has entered into a contract with Centennial Fabrics Limited, a related party. The transaction is in the nature of purchase of plastic liner, from Centennial Fabrics Limited which is used as part of packaging bag in Cement Industry. Although the aggregate sum for which the transaction so far entered with Centennial Fabrics Limited has not exceeded threshold in terms of value of transaction as defined in section 188 read with Rule 15, it will attain the threshold of 10% of turnover as per company’s latest audited financials and we therefore termed it as material transaction pursuant to Regulation 23 and therefore it is propose to seek prior approval of members for carrying out transaction with related party for a term of 24 months effective from 1st April, 2022.

Accordingly, the value of the transactions proposed to be undertaken for two years i.e. financial years 2022-23 to 2023-24 duly extrapolated and marked appropriately for any exigencies, price variation, impact of annual inflation, and increase in demand, etc., is estimated to be for an amount not exceeding ₹ 65 crore in aggregate.

The Company has in place a policy and process for approval of Related Party Transactions. The Policy provides the details required to be provided to the Audit Committee for the purpose of review of such transactions and grant of approval for the proposed transactions. A justification for each and every related party transaction is provided to the Audit Committee which enables them to arrive at the right decisions. Additionally, an update on the actual related party transactions entered during every quarter is provided to the Audit Committee. The aforesaid proposed transactions between Rishi Techtex Limited and Centennial Fabrics Limited, being material were approved by the Audit Committee, at its meeting held on 8th August, 2022, and also recommended by the Board at its meeting held on 8th August, 2022 for approval by the Members.

The transaction with the related party not only smoothen business operations for both the Companies, but also ensure consistent flow of desired quality and quantity of material and services without interruptions and generation of revenue and business for both the Companies to cater to their business requirements.

This Explanatory Statement may also be regarded as a disclosure of the information required pursuant to Rule 15 of Companies (Meetings of Board and its Powers) Rules, 2014, as amended.

The details of the proposed transactions between Rishi Techtex Limited and Centennial Fabrics Limited as required under SEBI Circular no. SEBI/HO/CFD/CMD1/CIR/P/2021/662 dated 22nd November, 2021, are given in **Annexure - B** hereto, and form a part of this Notice.

Members may note that as per the provisions of the Listing Regulations, no related party shall vote to approve the resolution, irrespective of whether they are a party to the transaction or not.

Your Directors recommend the resolution at Item No. 3 for approval by the Members as an Ordinary Resolution.

Except Mr. Abhishek Patel, Ms. Aakanksha Patel and Mr. Jagdish Dokwal and their relatives, none of the Directors, Key Managerial Personnel of the Company and their relatives, have any concern or interest, financial or otherwise in the Resolution.

Item No. 4

Mr. Abhishek Patel the present Managing Director, who was originally appointed in the Annual General Meeting held on 30th September, 2014 is subject to the provisions of sections 196, 197 and 203 read with Schedule V and all other applicable provisions, if any, of the Companies Act, 2013. The present term of appointment of Mr. Abhishek Patel which is for period of three years will expire on 31st March, 2023. The Board of Directors in their meeting held on 08.08.2022 decided to re-appoint him as Managing Director of the Company for the further period of three years w.e.f. 1st April 2023.

Mr. Abhishek Patel is 36 years of age and is a Commerce Graduate from University of Mumbai and also holds a Bachelor's degree in Economics and Management from London School of Economics and Political Science. He has a decade of business experience. Being a young personality with experience, the Board felt that it is advisable to re-appoint him as Managing director of the Company who will manage the business efficiently and take it forward on a proper growth path.

Further it is propose to pay remuneration and Perquisites not exceeding the maximum limits specified in Schedule V and on such other terms and conditions and as set out in the Agreement to be entered into between the Company and Mr. Abhishek Patel. The Agreement contains *interalia*, the following terms and conditions:

A) Period	1st April, 2023 to 31st March 2026 (3 Financial years)
B) Remuneration	Consolidated remuneration not exceeding ₹ 12 Lakhs per month. This remuneration is payable to the appointee on monthly basis effective from 1st April, 2023 and any variation therein subject to attaining threshold of not exceeding Rs.12,00,000/- per month during the tenure of appointment is subject to resolution of Board of Directors which may be pass from time to time.

Breakup of Monthly Remuneration- payable w.e.f. April 01, 2023

Basic Salary per month	Rs. 5.00 Lakhs
House rent allowance up to 60% of basic salary. In case of rented accommodation, rent up to 60% of Salary will be paid directly to the licensor	Rs. 3.00 Lakhs
Other allowances including monetary value of following perquisites in aggregate	Rs. 4.00 Lakhs
a) Premium for personal accident insurance policy	
b) Vehicle with Driver	
c) Club Membership Fees	

The Company shall reimburse to the Managing Director entertainment, traveling and all other expenses incurred by him for the business of the Company.

Monetary Value of following payments shall not be included while computing perquisites while computing the above limit set on the total remuneration payable to the Appointee:

- a) Contribution towards PF, Superannuation fund or annuity to the extent these either singly or taken together are not taxable under the Income Tax Act.
- b) Gratuity payable at a rate not exceeding half a month's salary for each completed year of service and;
- c) Encashment of leave at the end of tenure.

STATEMENT CONTAINING THE INFORMATION AS REQUIRED UNDER SECTION-II OF PART-II OF SCHEDULE V OF THE COMPANIES ACT, 2013
I. GENERAL INFORMATION:

1	Nature of industry	Rishi Techtex Limited is mainly engaged in the manufacture of Woven Sacks and Shade Nets.																					
2	Date or expected date of commencement of commercial production	Rishi Techtex Ltd formerly known as Rishi Packers Limited was incorporated on 7.2.1984.																					
3	In case of new Companies, expected date of commencement of activities as per project approved by Financial Institutions appearing in the prospectus	Not Applicable																					
4	Financial performance based on given indicators	(Rs. In Lakhs)																					
		<table> <tr> <th>Particulars</th><th>FY 2021-2022</th><th>FY 2020-2021</th></tr> <tr> <td>Share Capital</td><td>739.10</td><td>739.10</td></tr> <tr> <td>Other Equity</td><td>2199.32</td><td>2068.36</td></tr> <tr> <td>Total Revenue from Operations</td><td>10085.75</td><td>8106.79</td></tr> <tr> <td>Total Expenses</td><td>9898.97</td><td>8062.39</td></tr> <tr> <td>Profit before Tax</td><td>209.47</td><td>60.06</td></tr> <tr> <td>Profit after Tax</td><td>131.85</td><td>41.88</td></tr> </table>	Particulars	FY 2021-2022	FY 2020-2021	Share Capital	739.10	739.10	Other Equity	2199.32	2068.36	Total Revenue from Operations	10085.75	8106.79	Total Expenses	9898.97	8062.39	Profit before Tax	209.47	60.06	Profit after Tax	131.85	41.88
Particulars	FY 2021-2022	FY 2020-2021																					
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Other Equity	2199.32	2068.36																					
Total Revenue from Operations	10085.75	8106.79																					
Total Expenses	9898.97	8062.39																					
Profit before Tax	209.47	60.06																					
Profit after Tax	131.85	41.88																					
5	Foreign investments or collaborators, if any	Foreign investors, mainly comprising NRIs and Foreign Nationals are investors in the Company on account of past issuance/secondary market purchase.																					

II. INFORMATION ABOUT THE APPOINTEE

1	Background details	Mr. Abhishek Patel was appointed as Managing Director in the AGM held on 30th September, 2014 subject to the provisions of sections 196,197 and 203 read with Schedule V and all other applicable provisions, if any, of the Companies Act, 2013. His expertise and experience has been very valuable and has been a guiding force for the Company.
2	Recognition or awards	NIL
3	Past Remuneration	Mr. Abhishek Patel was paid ₹ 10.00 Lakhs as remuneration for the financial year ended 31st March, 2022.
4	Job profile and his suitability	<p>Mr. Abhishek Patel devotes his full time and attention to the business of the Company and is responsible for the general conduct and management of the affairs of the Company, subject to the superintendence, control and supervision of the Board.</p> <p>Mr. Abhishek Patel has invaluable experience and expertise in the line of business of the Company which is compatible with the organizational requirements and the Company would definitely benefit under his leadership and valuable guidance. He is also Member of Company's Audit Committee, Stakeholders' Relationship Committee and Finance Committee</p>
5	Remuneration proposed	As mentioned above
6	Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person (in case of expatriates the relevant details would be w.r.t. the country of his origin)	<p>The remuneration paid to Mr. Abhishek Patel, Managing Director is purely based on merit.</p> <p>Further, the Nomination and Remuneration Committee constituted by the Board, perused the remuneration of managerial person in other Companies comparable with the size of the Company, industry benchmarks in general, profile and responsibilities of Mr. Abhishek Patel before recommending the remuneration as proposed hereinabove</p>
7	Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any	Besides remuneration proposed, Mr. Abhishek Patel also holds 1017095 equity shares in the Company. Except Mr. Abhishek Patel and Ms Aakanksha Patel, no other Director or Key Managerial Personnel or their relatives are interested in the Resolution.

III. OTHER INFORMATION

1	Reasons for loss or inadequate profits	<p>The present Net profit of the company is not adequate enough to pay the remuneration stated in the resolution and detail in explanatory note. (Hereinafter referred as desired remuneration). Following could be termed as main reason for inadequacy of profit:</p> <ol style="list-style-type: none"> 1. Effect of slowdown in demand due to lockdown and disturbance in economy during past two years. 2. Availability of competitors products imported at cheaper price 3. Uncertainty in demand for agricultural rates due to limited awareness among farmers about its benefits. 4. Continuous variation in the price of indigenous raw material resulting in limited margin. 5. Cost of borrowed funds presently incurred by the company which is due to proposed expansion of capacity.
2	Steps taken or proposed to be taken for improvement	The Company is always looking forward to take all such steps and measures including expansion, diversification, restructuring which are in the best interest of the company. Though, the prices of raw materials and products are influenced by external factors, the Company is making all possible efforts to improve the margins.
3	Expected increase in productivity and profits in measurable terms	The Company is very conscious about improvement in productivity and undertakes constant measures to improve it. However, it is extremely difficult in the present situation and changes in the economy and with regulatory reforms to predict profits in measurable terms.

IV. DISCLOSURES

The Disclosures prescribed under Part IV of section II of Schedule V are mentioned in the Board of Director's report under the heading "Corporate Governance", attached to the financial statement.

Details as required pursuant to Regulation 36(3) of the Listing Regulations and the Secretarial Standards-2 on General Meetings, as applicable are provided as an Annexure to the Notice as **Annexure C**.

Mr. Abhishek Patel satisfies all the conditions set out in Part-I of Schedule V to the Act as also conditions set out under Section 196(3) of the Act for being eligible for re-appointment.

He is not disqualified from being appointed as Director in terms of Section 164 of the Act.

The Board recommends the resolution set out at Item No. 4 of the Notice before the Members for their approval by way of Special Resolution.

Date: 08.08.2022

Place: Mumbai

Registered Office:

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

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

**Gauri Gangal
Company Secretary**

Annexure A

[Pursuant to Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India].

Name of the Director	Ms. Aakanksha Harshad Patel
DIN	08314319
Date of Birth	14.09.1988
Age	33 years
Nationality	Indian
Date of appointment	08.08.2022
Qualification	Bachelor's Degree in Fashion Marketing and Promotion
Nature of expertise in specific functional Area	Marketing
Relationship with other Directors, Manager and other Key Managerial Personnel of the Company inter-se	Mr. Abhishek Harshad Patel – Managing Director – Brother
Brief Profile / Resume of the Director	Ms. Aakanksha Patel holds a Bachelor's Degree in Fashion Marketing and Promotion and has a vast experience of approximately 10 years in independently handling client account related activities, client management, business development which in the opinion of Board will help the Company in aggressive marketing of its products and may help to create a new segment of customers apart from conventional customers
Terms and Conditions of appointment	Ms. Aakanksha Harshad Patel is being appointed as a "Non-Executive, Non-Independent Director", liable to be retire by rotation. The other terms and conditions of her appointment will be as per the Nomination and Remuneration Policy of the Company.
Directorship in Other listed entities	No Directorship in Other listed entities.
Directorship in Other Companies (excluding Listed Entities, Foreign Companies and Section 8 Companies)	No Directorship in Other entities.
Chairmanships / Memberships of Committees held in Committees of Other Companies	No chairmanships / memberships in committees of any other entities.
Names of listed entities from which she has resigned in the past 3 (three) years	Has not resigned from any Listed Company in the past 3 (three) years.
No. of shares held by Director:	Shares held by self: 400861.
By Self:	
As a beneficial owner of :	
Number of Meetings of the Board attended during the year (Financial Year 2021-22)	Not Applicable as Ms. Aakanksha Harshad Patel has been appointed as Additional Director with effect from August 08, 2022.
Number of Meetings of the Board attended during the year (Financial Year 2022-23, i.e. upto August 08, 2022)	N.A.

Annexure B

Details of Material Related Party Transactions, as required, under the SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2021/662 dated 22nd November, 2021, are as follows.

Sr No	Particulars	Details (item No.3)
1	Name of Related Party and nature of Relationship	Centennial Fabrics Limited Mrs. Smita Patel, is a part of Promoter group of Rishi Techtex Limited who holds majority stake in Centennial Fabrics Limited and Mr. Jagdish Dokwal, Key Managerial Personnel of Rishi Techtex Limited is Director of Centennial Fabrics Limited
2	Name of the director or key managerial personnel who is related, if any and nature of relationship	Mrs. Smita Patel, is a part of Promoter group of Rishi Techtex Limited who holds majority stake in Centennial Fabrics Limited and Mr. Jagdish Dokwal, Key Managerial Personnel of Rishi Techtex Limited is Director of Centennial Fabrics Limited
3	Nature, duration, tenure, material terms, monetary value and particulars of the contract or arrangement	The transaction is in the nature of purchase of plastic liner, from Centennial Fabrics Limited used as part of packaging bag for Cement Industry by the Company for an estimated amount of Rs. 65 Crore in aggregate for a period of 2 years from 1st April, 2022 to 31st March, 2024
4	Transaction related to providing loan(s)/advances(s) or securities for loan taken by a related party	No such Transaction
5(a)	Details of the source of funds in connection with the proposed transaction	Not Applicable
5(b)	If any financial indebtedness is incurred to make or give such loans/advances/securities for loan and Nature of indebtedness/cost of funds/tenure	Not Applicable
5(c)	Applicable terms including covenants, tenure, interest rate, repayment schedule, whether secured or unsecured	Not Applicable
6	Any advance paid or received for the transaction	Nil
7	Percentage of the Company's annual turnover for the immediately preceding financial year 2021-2022, that is represented by the value of the proposed transaction	33% on an annual basis
8	Details about valuation, arm's length and ordinary course of business	Valuation- Not applicable Ordinary Course of Business- The transaction is in the nature of purchase of plastic liner, from Centennial Fabrics Limited used as part of packaging bag for Cement Industry by the Company Arm's Length- The Transactions between Rishi Techtex Limited and Centennial Fabrics Limited, undertaken on an arm's length basis and in the ordinary course of business. The Transaction is marked appropriately for any exigencies, price variation, impact of annual inflation and increase in demand.
9	Rationale/Benefit of the transaction and why this transaction is in the interest of the Company	The transaction with the related party not only smoothen business operations for both the Companies, but also ensure consistent flow of desired quality and quantity of material and services without interruptions and generation of revenue and business for both the Companies to cater to their business requirements.
10	Any other information relevant or important for the shareholders to take an informed decision	All relevant/important information forms a part of this Explanatory Statement setting out material facts pursuant to Section 102 of the Companies Act, 2013

Annexure C

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

Name of Director	Abhishek Harshad Patel
Director Identification Number	05183410
Age of Director	36 Years
Date of First Appointment on Board	01.11.2012
Expertise in Specific Functional Areas	Industrialist
Qualification	Commerce Graduate with Bachelor's degree in Economics and Management
Terms and Conditions of Appointment/Re-appointment	As per Item No. 4 of the Explanatory Statement to the Notice.
Remuneration last drawn by such person, if applicable	Rs. 10.00 Lakhs per month
List of Outside Directorship held excluding Alternate Directorship	1. Total Schweisstechnik Private Limited 2. Krishak Saaj Private Limited
Chairman/Member of Committees of the Board of Directors of the Company	Member of Audit Committee, Stakeholder 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 Company	1017095
No. of Board Meetings attended during FY 2021-2022	4
Relationship with other Directors, Manager and other Key Managerial Persons of the Company	Ms. Aakanksha Patel – sister of Mr. Abhishek Patel.

Date: 08.08.2022

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**



Management Discussion and Analysis

Macroeconomic Overview

Global Outlook

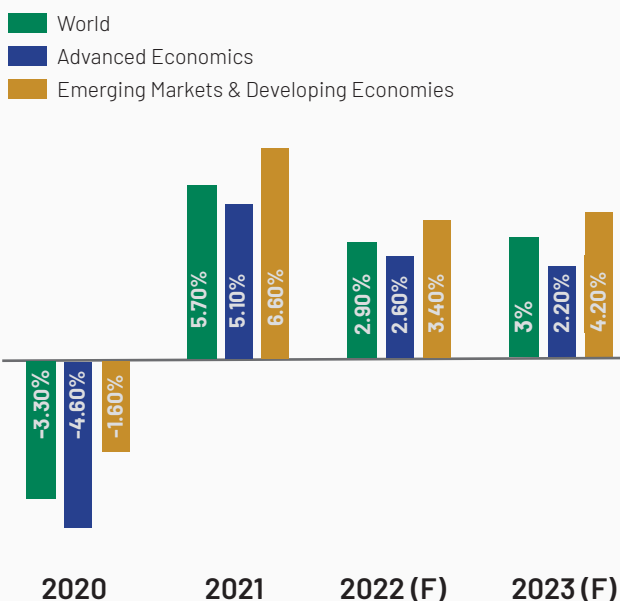


Between 2020 and 2021, the COVID-19 pandemic caused the deepest global recession since the Second World War in 1945.

In the later part of 2021, the world demonstrated a steady economic revival on the back of large-scale vaccination drives and extended policy support to industries.

However, Russia's invasion of Ukraine in the early part of 2022 brought a fresh set of challenges. Besides the intensifying geopolitical tensions, the world economy faced risks of financial stress caused by rising borrowing costs, continued supply bottlenecks, rising inflation and worsening food insecurity.

Chart I: World Bank – June 2022 –
Estimates of Global Growth



According to June 2022 World Bank estimates, the global growth is expected to slump from 5.7% in 2021 to 2.9% in 2022 (refer *Chart I: World Bank – June 2022 Estimates of Global Growth*). The revised estimate is significantly lower than the 4.1% that was anticipated at the beginning of the year. Beyond the near-term, global growth is expected to slow further over the remainder of the decade, reflecting a trend weakening of the fundamental drivers of growth.

On the one hand, the decelerated numbers are indicative of weakening demand and other fundamental drivers of growth. On the other hand, monetary policy tightening by central agencies is resulting in high inflation. Consequently, the world economy is at the cusp of stagflation—a period of both weak growth and elevated inflation. As a countermeasure, economies need to shore up their fiscal and external buffers, strengthen their monetary policy frameworks, and implement reforms to reinvigorate growth.

India Outlook



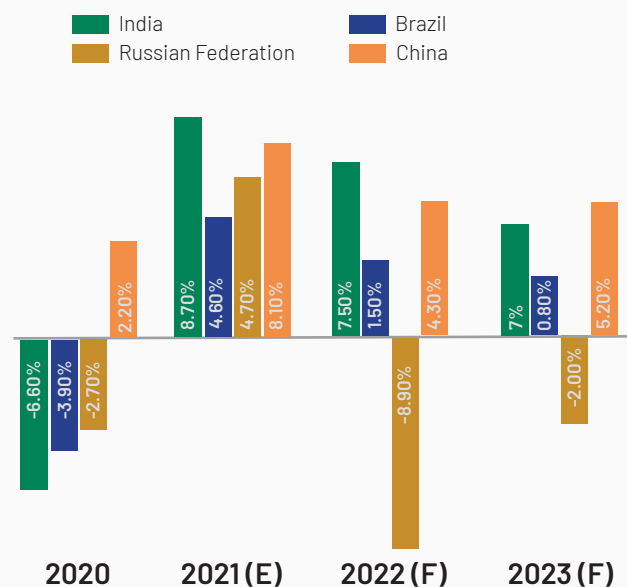
The Russia-Ukraine war has resulted in rising prices of crude oil, fertilizers, cereals and wheat in India – all of which are critical imports from the warring nations.

The situation is likely to reduce government revenues and increase subsidies, thereby additionally impacting the high inflation rates in the country. Furthermore, the capital outflows and rising import bills weigh on India's current account balance and currency valuation.

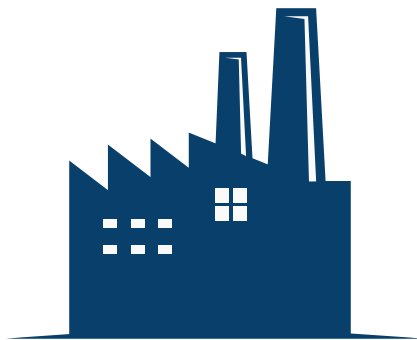
The good news is that the effects of the external shocks and headwinds from rising inflation are expected to be short-term. India's economic fundamentals are strong and the impact of macroeconomic turbulences over the long-term is likely to be negligible. As per World Bank June 2022 estimates, India is expected to grow at a rate of 7.5% in 2022 and 7.1% in 2023. The numbers are significantly higher than the growth estimates for emerging markets and developing economies (EMDE) as well as the forecast for other BRIC economies during the same period (refer Chart II: World Bank – June 2022 Estimates of Growth in BRIC Nations).

India's performance will be a result of growth-oriented policy frameworks, increased infrastructure spending, rising exports, investments in digitalization and improving diplomatic relations with other economies.

Chart II: World Bank – June 2022 – Estimates of Growth in BRIC Nations



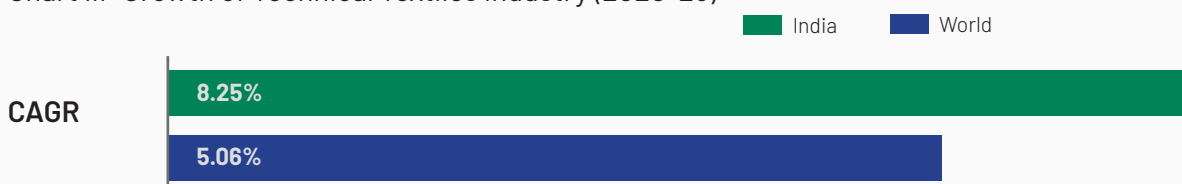
Technical Textile Industry Outlook



India has one of the fastest growing markets for technical textiles globally.

As per estimates presented in the Baseline Survey of the Technical Textiles sector, the demand for India's technical textile industry is expected to grow 48% in value between FY20 and FY25 - from INR 122,943 crores to INR 182,742 crores. The outbreak of the COVID-19 pandemic has changed the dynamics of India's technical textiles industry. The sector is growing rapidly owing to an increased focus on advanced technologies, sustainability, growth in end-use industries and cost effectiveness. (refer Chart III: Growth of the Technical Textiles Industry (2020-25)).

Chart III: Growth of Technical Textiles Industry (2020-25)



Further, the opportunity for India's technical textile sector is compounded by rising cotton prices since the country is the third highest in terms of availability of synthetic and manmade fibre (MMF).

To keep up with this fast-growing demand and harness the opportunities, the Government of India has initiated additional schemes in 2021-22 to help the sector grow:

1 Focus Product Incentive Scheme (FPIS) :

Approved in November 2020, the scheme emphasises the promotion of 40 manmade fibre (MMF) apparel and 10 technical textiles lines. The scheme aims to enable Indian technical textiles companies to compete globally by enhancing their manufacturing capabilities and exports.

Financial outlay: **INR 10,683 crores**
 Period: **5 years (2021-22 to 2025-26)**

2 National Technical Textiles Mission (NTTM):

Launched by the Ministry of Textiles, Government of India, in February 2020, the NTTM aims to increase the domestic use of technical textiles. It has an ambitious target of increasing the domestic market of the technical textiles industry to USD 40-50 billion by 2024 at an average growth rate of 15-20% per annum.

Financial outlay: **INR 1,480 crores**
 Period: **4 years (2021-22 to 2023-24)**

Since the implementation of these initiatives, India's technical textiles sector has already witnessed a complete back flip as exports in FY22 exceeded the imports significantly.

FY22: Year in Review

Operational Performance



The Board of Directors presents their report along with the audited financials of the Company for the year ended 31st March 2022.

Table 1: Financial and Operational Highlights

Particulars	FY22	FY21
Total Revenues	INR 10,085.75 Lakhs	INR 8,106.79 Lakhs
Total Expenses	INR 9,898.97 Lakhs	INR 8,062.39 Lakhs
Profit/(loss) Before Tax	INR 209.47 Lakhs	INR 60.06 Lakhs
Operating Profit Margin	6.29%	6.13%
Total Tax Expense	INR 77.62 Lakhs	INR 18.18 Lakhs
Profit/(loss) for the period	INR 131.85 Lakhs	INR 41.88 Lakhs
Net Profit Margins	2.08%	0.74%
Total Comprehensive Income	INR 10,108.44 Lakhs	INR 8,122.45 Lakhs
Debtors Turnover	11.89%	12.75%
Inventory Turnover	25.42%	32.03%
Interest Coverage Ratio	1.89%	1.24%
Current Ratio	1.70%	1.71%
Debt Equity Ratio	0.98%	0.96%

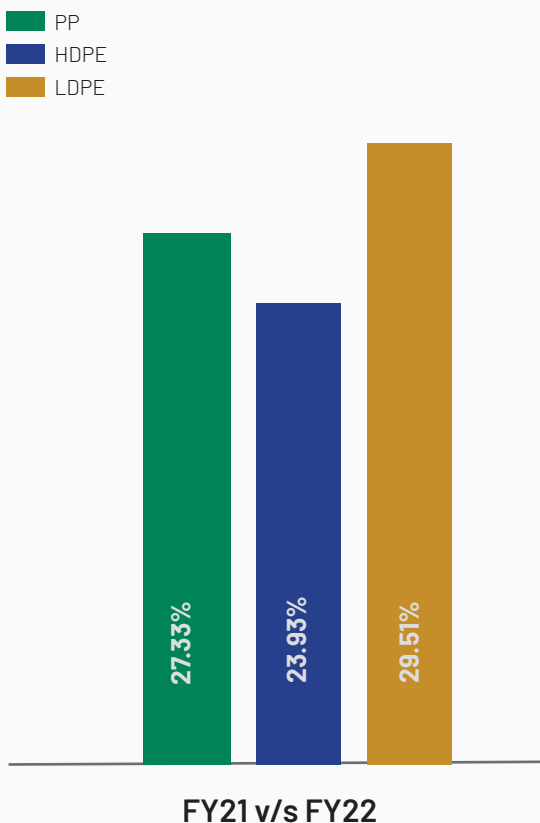
Performance Analysis

During the last fiscal, we recorded a significant increase in our revenues – from INR 81.07 crores in FY21 to INR 100.86 crores in FY22. The Profits before Tax (PBT) also increased considerably from INR 0.60 crores in FY21 to INR 2.09 crores in FY22. The Profits after Tax (PAT) also registered a growth – from INR 0.42 crores in FY21 to INR 1.32 crores in FY22.

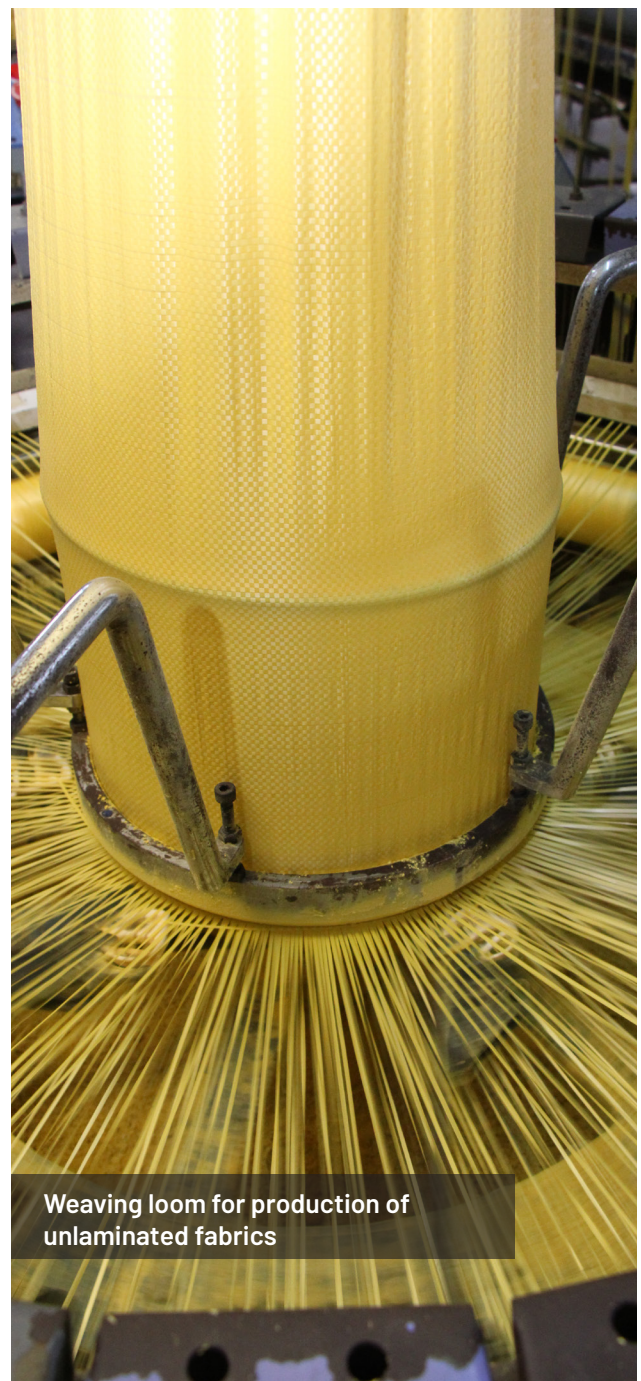
However, the jump in the year-on-year performance did not translate equally on the profitability margins during the period. During the year under review, our operating profit margins were stable at 6.29% as against 6.13% during the previous fiscal. On the other hand, the net profit margins recorded a slight improvement – from 0.74 % in FY21 to 2.08% in FY22.

One of the main reasons for the disparity between the profitability levels and turnover is the high costs of raw materials (refer Chart IV: Increase in Raw Materials Cost).

Chart IV: Increase in Raw Materials Cost



In FY22, the average monthly cost of polypropylene (PP) raw materials was INR 116.88 Lakhs as compared to INR 91.79 Lakhs in the previous fiscal. The average monthly cost of raw materials for the high-density polyethylene (HDPE) segment was INR 101.95 Lakhs as against INR 82.26 Lakhs in FY21. Similarly, the cost of raw materials for the low-density polyethylene (LDPE) segment was INR 100 Lakhs in FY22 as against INR 77.21 Lakhs in FY21.



Weaving loom for production of un laminated fabrics



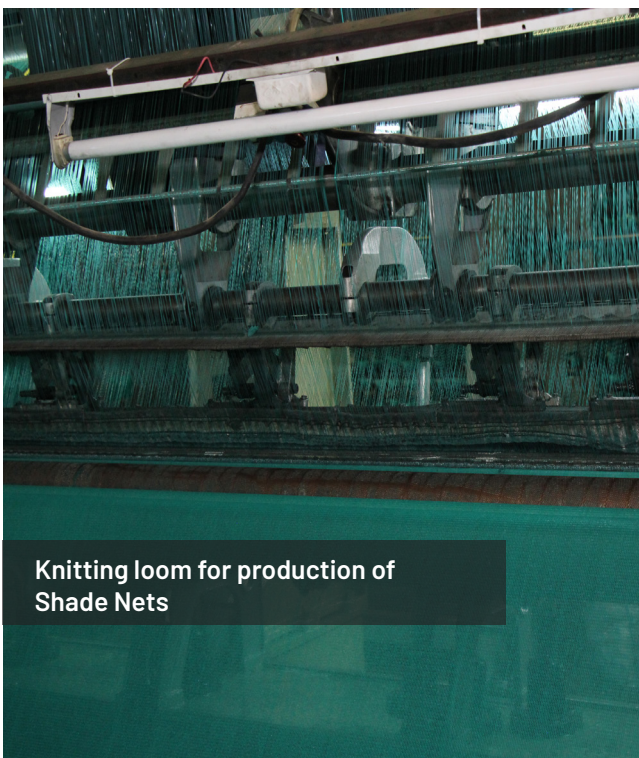
Segment-wise review

Knitted Division

During the year under review, the knitted division registered revenues of INR 34.30 crore, contributing to 34% of the overall company income.

Of this, INR 17.98 crore (52%) of the revenues accrued from domestic sources, while the remaining INR 16.33 crore (48%) earnings was from exports. Overall earnings from the segment reduced as compared to FY21 when it contributed to 31% of the overall company revenues (refer Chart V: Income from Knitted Division).

Chart V: Revenues from Knitted Division (INR Crore)



Knitting loom for production of Shade Nets

Performance Highlights

Exports

In FY22, we exported our range of windbreak nets along with bird nets to customers in the UK. Our nets were used in the following events in the country:



The London International Horse Show, Excel



Goodwood Motor Circuit, Chichester



Gloucestershire County Cricket Club, Gloucestershire

We have introduced a New Product of 100 GSM & 120 GSM Tape & Mono Materials along with 230 GSM & 250 GSM Mono & Mono Materials to Saudi Arabia.

Further, we added three new overseas customers in this division:



Delta Services,UK



Rolathene Ltd,UK



Tiger Supplies Inc, USA

Domestic

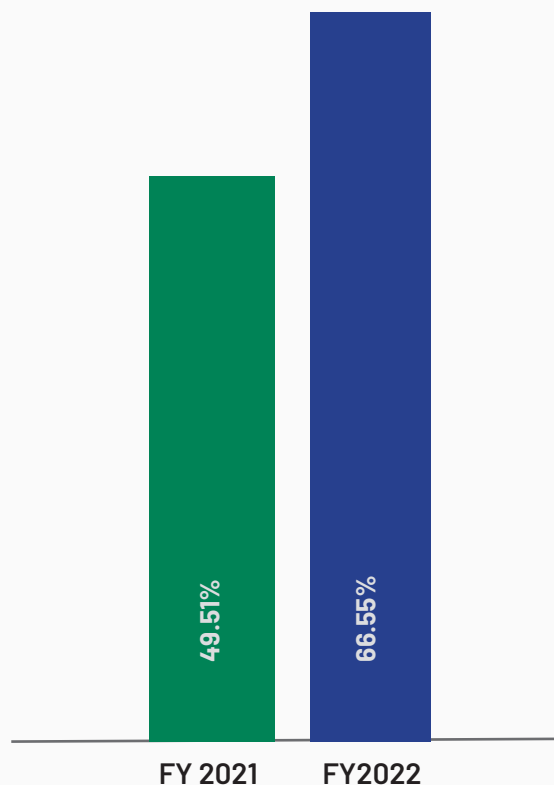
In FY22 we developed and introduced 12gg material as a new product under the knitted segment in the domestic markets. During the year, we also added six new customers located across the country.

Woven Bags

In FY22, the woven bags division contributed to 66% of the overall revenues at the organization, accruing INR 66.55 crores.

The segment witnessed a significant uptick in numbers as compared to the previous year, when it registered revenues of INR 49.51 crores (refer Chart VI: Revenues from Woven Bags Division).

Chart VI: Revenues from Woven Bags Division (INR Crore)



Another highlight of the segment performance was that we supplied 30 million bags/sacks – the highest ever in the company's history. Further, we developed specialized woven bags for the tiles & adhesive segment to cater to the requirements of new customers in this division.

Performance Highlights

Exports

During the last year, we exported 5- & 2-meter polypropylene (PP) ground covers to the UK for the first time.

Domestic

Rishi TechTex is a supplier of woven bags for one of India's largest paint manufacturing companies. In FY22, following a significant increase in orders from the company, we added new vendors at new locations across the country. These include Kanpur in Uttar Pradesh, Bharuch in Gujarat, Kishangarh in Rajasthan and Guwahati in Assam.

Further, we added four new domestic customers in the woven bags division during FY22:



Kapsons India, Kanpur in Uttar Pradesh



Kothari Plaster, Bharuch in Gujarat



Almega, Guwahati in Assam



Pintura, Kishangarh in Rajasthan

Technology

During the year, we completed a major portion of our plant automation. These investments are in line with our goals of manufacturing world-class products, augmenting our production capacities and constantly innovating to ensure zero defects and zero complaints from customers.

High-Speed Knitting Machine

During the year, we installed a high-speed knitting machine imported from China. The machine can run at the speed of 600 RPM as against 300 RPM of a normal knitting machine, effectively doubling our output. The machine's EBA system for yarn feeding with auto synchronization enables consistency in quality and gives a superior knit quality to fabric. Additionally, it can be used for the manufacturing of all kinds of warp knit fabrics and patterns.

Introduction of beam processes

In FY22, we converted the creel machines at the Vapi plant to beam processes. Besides lending to the efficiency in the production of knitted fabrics and reducing the wastage, this upgradation will help us to execute smaller orders. The earlier version of creel machines was better suited for only large production quantities. With the introduction of beam processes, we will be able to optimize opportunities of all sizes that come our way.

Installation of a new reprocess

In the last fiscal, we added a new reprocess plant to our Daman factory. Unlike the earlier three-stage process plant, the new machine encompasses a one-stage process. It directly processes the reprocessed granules from raw scraps of plastic and also improves the quality of output significantly. Further, it boasts of a production capacity of 150 kg/hour as compared to 100 kg/hour of the older plant, thus reducing the labour cost of the plant proportionately.

Human Resources

As a science-led company, Rishi TechTex recognizes the significance of scientific talent and human innovation in its success.

The performance of our team members directly impacts our ability to deliver and is our key differentiator in the hyper-competitive industry scenario.

Therefore, we aim for the holistic development of our human capital. We strive to create a positive, creative and inclusive environment where our team members can perform optimally. In FY22, we achieved this by

Partnering with premier institutions to impart top-notch technical domain knowledge to our team members

Enhance the technical and engineering knowledge of our employees through comprehensive on-the-job training programs

Implementation of unique and customized technical competency development initiatives to enable our teams to realize their potential

Future Outlook

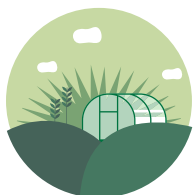
Rishi TechTex successfully navigated the pandemic-related challenges by leveraging a combination of innovation, automated manufacturing, cost optimisation strategies and our stakeholder relationships. We effectively harnessed our strengths of scale, product integrity, price points and turnaround time to counter the challenging circumstances. Our readiness strategy was fortified by human capital effectiveness and investments in research and development.

As we look toward the future, we will continue to stay ahead of the competitive curve on the strength of the same factors.

Optimizing Sectoral Opportunities

The share of technical textiles in the total textile industry in India is expected to reach 28% by 2024-25. The segments likely to grow at the fastest rates (at rates faster than a CAGR of 10%) in the Indian market are Oekotech, Protech, Mobiltech, Geotech, Indutech, Agrotech and Buildtech.

Rishi TechTex has a presence in three of the fastest-growing sectors mentioned above.



Agrotech

At Rishi TechTex, we have seen a steady increase in income from domestic customers for the agrotech segment. This is in line with the larger trend: industry data reveals that the local consumption of agrotech products has been growing with the increasing modernisation of agriculture in the last few years. The demand for our shade nets has been increasing in export markets – a trend which is also in line with the macro story.



Buildtech

Buildtech products include architectural membranes, tarpaulins (canvas & HDPE), awnings and canopies, scaffolding nets, wall coverings and acoustic fabric. These commonly find application in the construction and infrastructure sectors.

We anticipate huge opportunities under this segment in the future as several large-scale infrastructure-related projects kick off across the country.



Protech

Products under the Protech segment are used for their functional performance in the areas of protection of personnel and physical assets.

While India is a net importer of raw materials and products under the Protech segment, the government is pushing to ensure India's self-reliance, and we are priming ourselves to make the most of these opportunities.



Packtech

The packtech segment consists of products manufactured for applications in the packaging of industrial products and food products. Between 2019-20 and 2024-25, the segment is expected to grow at a CAGR of 4.10%. India dominates the global market with a share of 40-45%.

At Rishi TechTex, the packtech segment is one of our main focus areas. We supply woven bags to several large domestic organizations. We have also exported the same to the UK and the USA. Going forward, we aim to further strengthen the segment through automation of processes, scale of output and quality of our products.

⌚ Continued CapEx Investments

We will continue to make CapEx investments in plant automation. One such investment that is currently underway is the installation of a new blown film plant at our Daman factory. The new blown film plant is monolayer with an output rate of 270 kg/hour. The new plant has vertical haul-off rotation, which will give us excellent uniformity in film thickness. Further, it has the latest die design, which will give us superior melt quality in the film with extraordinary gloss.

This plant will give us superior film quality, which will result in increasing the efficiency of the knitting process and improvement in quality. Simultaneously, it will reduce the output wastage and also result in electricity savings. The addition of this plant will enable us to meet the demand for film capacity during the peak season.

⌚ Focus on Quality

In FY22, Rishi TechTex was accredited as a Star Export House by the Directorate General of Foreign Trade, Ministry of Commerce & Industry, Government of India. This recognizes our leadership position in the Indian technical textile sector and also acknowledges our excellent track record in international commerce. In addition, our products under the agrotech segment are certified by the Bureau of Indian Standards (BIS). We are also an ISO-certified organization.

Going forward, we believe that our relentless focus on quality will lend us a competitive advantage as the technical textile industry braces for an era of extraordinary growth.

⌚ Digitalization and Streamlined Efficiencies

Our in-house Enterprise Resource Planning (ERP) system supports planning, procurement, production, sales, and payroll management. It is at the crux of our digitalization efforts and can flex on demand and also allows us to operate from anywhere.

The real-time insights delivered through the ERP are a critical driver of operational efficiency on the shop floor. They help in reducing production defects, streamlining processes and expanding management bandwidth significantly.



Opportunities and Threats

The Atmanirbhar Bharat mission creates tremendous opportunities for the exports, import substitution and indigenisation of the Indian technical textile sector. Here are some untapped opportunities that hold great promise for the future growth of the industry :

- ❖ The technical textile industry holds great potential to contribute to various flagship missions and schemes of the Government of India. Taking this factor into cognisance, 92 application areas for mandatory use of technical textiles across 10 Central Ministries and Departments have been identified. Thus far, mandatory use notifications have been issued for 68 applicants. The issuance of notification for the remaining 24 areas is under process.
- ❖ The Bureau of Indian Standards (BIS) has published Indian Standards (IS) for 377 technical textiles products.
- ❖ Through the ITC Harmonized System of Nomenclature Code (HSN Code), India intends to correct anomalies arising out of misclassification and improve the monitoring of imports and exports of technical textiles. The regulation also aims to help in better targeting of financial and other relevant incentives to technical textiles manufacturers and rationalise the levying of customs duties on imports.
- ❖ The government offers a concessional rate of 5% for the customs duty on major machinery required for technical textiles manufacturing. 26 types of machinery placed have been notified under this scheme.

At Rishi TechTex, we aim to optimise the opportunities offered by the increasing focus on the technical textile segment by:

- ❖ **Retaining our focus on quality**
Our nets under the agrotech segment have been approved by BIS – enabling us to compete for government bids and lending to our export competencies.
- ❖ **Leveraging the customs duty concessions**
We continue to make strategic outlay for CapEx investments to upgrade our plants with the latest technology.
- ❖ **Innovating high-margin products**
This enables us to participate in the evolving requirements of the various government-mandated end-user industries.

Risks and Concerns

Geopolitical and environmental risks arising out of external events such as conflicts, terrorism, natural calamities, pandemic outbreaks and man-made disasters are key risks that may hinder the organisation's growth. Additional risks, including policy measures at national and international levels, can lead to an upheaval in currency rates.

These can have an impact on the Company's performance. Further, the Company is susceptible to industry risks such as raw material supply, oil price fluctuations and finance costs due to interest rate changes.

Internal Control Systems and Their Adequacy

The Company has adequate systems of internal control and procedures covering all financial and operating functions commensurate with the size and nature of operations. The Internal Auditor appointed by the Company conducts an Internal Audit and monitors and evaluates the efficacy and adequacy of the internal control system, its compliance with operating systems, accounting procedures and policies at all locations of the Company. Based on the report of the internal auditor, members of the management undertake corrective actions in their respective areas and strengthen the controls.

Cautionary Statement

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

Important factors that could make a difference to the Company's operations include, amongst others, economic conditions affecting demand/supply and price conditions in the domestic and overseas markets in which the Company operates, changes in government regulations, tax laws and other statutes and incidental factors.

Customers and Certificates



Gallery



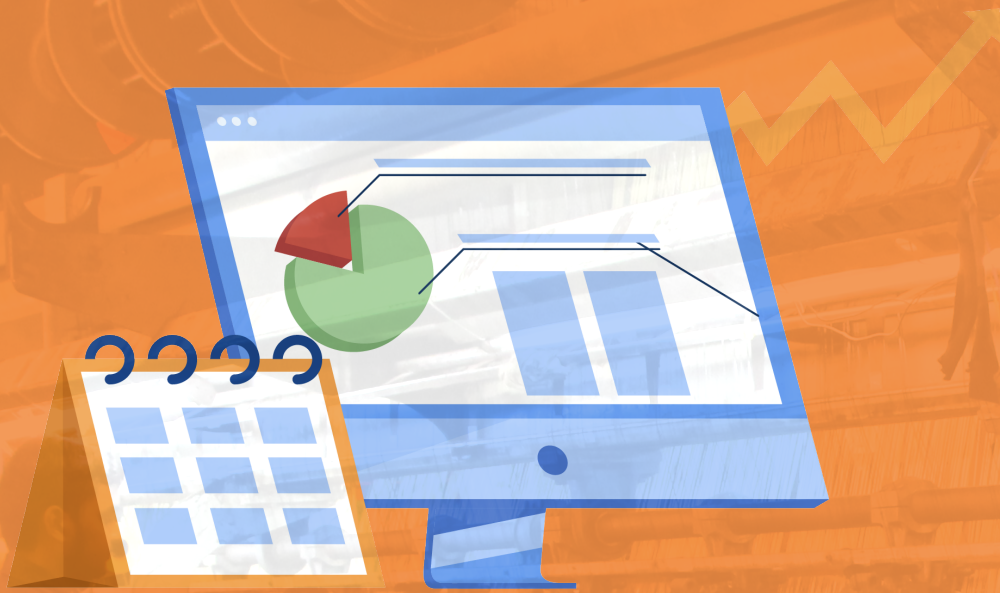
Overview

Management Discussion & Analysis

Report & Financials

Standalone Financial Statements





Reports and Financials

Director's Report

To,
The Members,
Rishi Techtex Limited,

Your Directors have pleasure in presenting their 38th Annual Report on the business and operations of the Company and the accounts for the Financial Year ended March 31, 2022.

FINANCIAL SUMMARY OR HIGHLIGHTS/PERFORMANCE OF THE COMPANY:

(Rs. In Lakhs)

Particulars	2021-22	2020-21
Total Income	10108.44	8122.45
Profit before Tax	209.47	60.06
Provision for Tax	77.62	18.18
Profit after Tax	131.85	41.88
Total Comprehensive Income for the period	130.96	42.26

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, 2022, the reserves and surplus has increased to Rs. 2199.32 lakhs as compared to Rs.2068.36 lakhs during the last year.

COMPANY'S WORKING DURING THE YEAR:

The company earned total income of Rs.10108.44 lakhs as compared to Rs.8122.45 lakhs earned in the previous year showing increase of 24.45%. The operations during the year have resulted in a profit of Rs. 131.85 lakhs as compared to Rs.41.88 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 led to the unprecedented health crisis and has disrupted economic activities and global trade while weighing on consumer sentiments. During the year under review, the nation experienced high severity and mortality of citizens brought by the second wave of the ongoing COVID-19 pandemic. With intermittent nationwide lockdowns and disruption in regular economic activities, there was price volatility of raw materials and sluggish market demand during first half of the year under review. However, the Company dealt with the pandemic by continuing to focus on operational excellence, marketing strategies, and keeping its employees and community at the core of it.

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 9th June, 2022.

Total Bank Loan Facilities Rated	Rs. 29 Crore
Long- Term Rating	CRISIL BBB-/Stable (Reaffirmed)
Short-Term Rating	CRISIL A3 (Reaffirmed)

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 of financial year 2020, 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 2021-2022; 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 2022-2023. 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, 2022 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, 2022 was Rs. 739.10 Lakhs. There was no change in the Share Capital of the Company during the financial year under report.

As on March 31, 2022, 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 under Investor Tab_Annual Report_Annual Return. You may also check the following link:

<https://www.rishitechtext.com/Admin/FinancialFile/Annual%20Return%20Rishi%20Techtext%202021%202022%20pdf.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. There is no change in composition of Board of Directors in the FY 2021-2022.

Change in Directors after the FY 2021-2022 to the Date of this Report:

1. The approval of members of the Company is sought in ensuing AGM to approve the re-appointment and remuneration of Mr. Abhishek Harshad Patel (DIN: 05183410) as Managing Director of the Company for a period of three (3) years commencing from 01st April, 2023 till 31st March, 2026, at a remuneration (including perquisites except those mentioned in Section IV of Part II of Schedule V) not exceeding Rs. 12 Lakhs per month which from time to time with the approval of the Board or any Committee thereof may further be enhanced/ altered/varied upto the maximum permissible limit as specified under Schedule V of Companies Act, 2013, and on such other terms and conditions as laid down in the agreement to be entered into between the Company and Mr. Abhishek Patel;
2. Mr. Pranav Patel, has expressed his unwillingness to continue as a Non-Executive- Non Independent Director on the Board due to his pre-occupation in other assignments and therefore has resigned with effect from 08.08.2022.
3. The Nomination and Remuneration Committee has recommended to the Board to place before the members a resolution, for appointment of Ms. Aakanksha Harshad Patel as an Additional (Non-Executive-Non Independent) Director on the Board pursuant to the provisions of Section 161(1) of Companies Act, 2013. The Board of Directors of the Company in their meeting held on 8th August, 2022 have proposed for the approval of members appointment of Ms. Aakanksha Harshad Patel as a Non Executive- Non Independent Director pursuant to the provisions of Section 149 of the Companies Act, 2013 read with the rules made thereunder, to hold office commencing from August 08, 2022.

Details of the meetings of the Board of Directors:

During the year, in all Four Board Meetings were held i.e. on 28th June, 2021, 13th August, 2021, 10th November, 2021 and 14th February, 2022. The Board Meeting of the First Quarter of the financial year 21-22 was held in June 2021, 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 10th February, 2021. 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. SEBI/HO/CFD/CMD1/CIR/P/CIR/2021/556 dated 29th April, 2021 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.

All Board members and senior management personnel have affirmed compliance with the code for the year ended on March 31, 2022. Declaration to this effect signed by the Managing Director of the Company for the year ended on March 31, 2022 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, 2022, 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 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. 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 23rd December, 2021 during the financial year 21-22.

Independent Directors' Meeting:

During the year under review, the Independent Directors met on 20th January, 2022 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 2021-2022, 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 for F.Y 2021-2022. 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 for FY 2021-2022 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

After the Financial Year 2021-2022, Company has entered into some transactions that require member's approval in the ensuing Annual General Meeting. Shareholders can refer Notice of Annual General Meeting for the detail information of the said transaction.

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 2021-22 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 2022-23. 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 2021-2022 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, 2022 were 166.

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;
- (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 continuous support during the year.

By Order of the Board

Abhishek Patel
Managing Director
DIN: 05183410

Sheela Ayyar
Director
DIN: 06656579

Place: Mumbai
Date: 08.08.2022

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. 1632.89 lakhs. No Expenditure in foreign currency was incurred on account of travelling and expenditure on account of spares and components is Rs. 10.24 Lakhs. There was no import of Capital Goods during the FY 2021-2022.

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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	33.61:1

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 is 12.54% and Company Secretary is 29.42%

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 3.40%.

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

The numbers of on-rolls permanent employees are 166 (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 4.56%.

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

Yes

Annexure C

FORM No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2022

(Pursuant to Section 204 (1) of the Companies Act, 2013 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 our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its Officers, Authorized Representatives, and the representations made by 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 during the conduct of secretarial audit, we hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on **31st March, 2022** 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 31st March 2022, 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 Byelaws 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 by the Company with BSE Limited read with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above, except that Annual Compliance Report pursuant to Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as applicable for the financial year 2020-2021 was submitted beyond a period of 60 days by the Company.

(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 Constituted comprising of Executive Director, Non-Executive Director and Independent Directors.

(b) notices were given to all Directors at least seven days in advance to schedule the Board Meetings, including Meetings of the Committees of the Board. 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: 08-08-2022

ICSI Peer Review Certificate No: 2478/2022
UDIN issued by the ICSI: A018795D000387251

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 21-22

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. Wherever required, we have obtained the Management Representation about the Compliance of laws, rules and regulations and happening of events etc.
5. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of 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

Place: Mumbai
Date: 08-08-2022

ICSI Peer Review Certificate No: 2478/2022
UDIN issued by the ICSI: A018795D000387251

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CORPORATE GOVERNANCE REPORT

STATEMENT ON COMPANY'S PHILOSOPHY ON CODE OF CORPORATE 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.

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. All Board members and senior management personnel have affirmed compliance with the code for the year ended March 31, 2022. Declaration to this effect signed by the Managing Director of the Company for the year ended March 31, 2022 has been included elsewhere in this report.

CODE OF CONDUCT FOR PREVENTION OF INSIDER TRADING:

In accordance with the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (SEBI Insider Trading Regulations), as amended from time to time, the Board of Directors of the Company has adopted the Code of Conduct for prevention of Insider Trading (Insider Trading Code).

Ms. Gauri Gangal, Company Secretary and Compliance Officer is the 'Compliance Officer' in terms of this Insider Trading Code.

BOARD OF DIRECTORS (as on 31.03.2022):

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, 2022 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 28th June, 2021, 13th August, 2021, 10th November, 2021 and 14th February, 2022. The Board Meeting of the First Quarter of the financial year 21-22 was held in June 2021, 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 10th February, 2021. 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. SEBI/HO/CFD/CMD1/CIR/P/CIR/2021/556 dated 29th April, 2021 issued by the SEBI.

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, 2022 are given herein below. Other directorships do not include directorships of private limited companies, foreign companies and companies registered under Section 8 of the Act. 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 2022	Whether attended last AGM held on 20th September, 2021	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	Promoter/ 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 - (Non-Executive Independent Director)
Mr. Kunal Rastogi	Non Executive/ Independent Director	4	Yes	-	-	-	-	-

Details of equity shares of the Company held by the Directors as on March 31, 2022 are given below:

Name	Category	No. of Equity Shares
Mr. Abhishek Patel	Promoter/Executive Director	1017095
Mr. Pranav Patel	Non Executive/ Non Independent Director	3534

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

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 year 2021-2022, the committee met four times, on 28th June, 2021, 13th August, 2021, 10th November, 2021 and 14th February, 2022. The Audit Committee Meeting of the First Quarter of the financial year 21-22 was held in June 2021, 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 Committee meeting held on 10th February, 2021. Members may note that the relaxation to extend gap of more than 120 days between two consecutive Audit Committee Meetings were authorized pursuant to General Circular No. SEBI/HO/CFD/CMD1/CIR/P/CIR/2021/556 dated 29th April, 2021 issued by the SEBI.

Name	Category	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. 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 Nomination and Remuneration 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 : INR 5,00,000/-

HRA : INR 2,50,000/-

Others : INR 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 2021-2022:

Mr. Abhishek Patel - Rs 116.68 Lakhs

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

During the financial year 2021-2022, the committee met on 10th 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 2021-2022, the committee met two times, on 25th August, 2021 and 10th February, 2022

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

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 2022 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 23rd December, 2021 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:

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

37th AGM- Monday, 20.09.2021 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
35th AGM	September 25, 2019	Yes	1. Appointment of Mr. Kunal Rastogi (DIN: 01570584) as a Director on the Board 2. Appointment of Mr. Kunal Rastogi (DIN: 01570584) as an Independent Director of the Company. 3. Re-appointment of Mrs. Sheela Ayyar (DIN:06656579) as an Independent Director of the Company for second term. 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
36th AGM	November 05, 2020	Yes	Re-appointment and Remuneration of Mr. Abhishek Harshad Patel (DIN: 05183410) as Managing Director of the Company
37th AGM	September 20, 2021	No	-

- 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, the Listed Entity has complied with the provisions of Stock Exchange and SEBI Regulations and circulars/ guidelines issued thereunder, except in respect of Submission of Annual Compliance Report pursuant to Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 within 60 days of end of financial year 2020-21. The Company filed Annual Compliance Report on 26-07-2021 due to Covid induced lock-down conditions, the Company could not file the Report within stipulated time. The Company has paid the Fine of Rs. 61360/- to Stock Exchange for delay in submission of Annual Compliance Report prescribed under Regulation 24A of SEBI LODR Regulations.

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 31.03.2022.

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. 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 2021	Within 45 days from the end of quarter	Unaudited
September, 30th 2021	Within 45 days from the end of quarter	Unaudited
December, 31st 2021	Within 45 days from the end of quarter	Unaudited
March, 31st 2022	Within 60 days from the end of quarter	Audited

Book Closure Date:

20.09.2022 to 26.09.2022(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 2021-2022

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

BSE SENSEX

Month	High	Low	Total Number of Equity Shares Traded
April 21	29.5	20.75	52307
May 21	25.5	21.15	40926
June 21	30.85	22.6	65651
July 21	32.55	26.55	84784
August 21	36.2	26.6	48306
September 21	29.65	25.25	34433
October 21	30	25	65995
November 21	35	22.75	49596
December 21	28.5	22.35	41320
January 22	41.45	25	243784
February 22	35.6	25.1	63096
March 22	28	25.25	50452

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

Tel No.: 022-23075677/23074585

Email: 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; prafuls@adroitcorporate.com; sandeeph@adroitcorporate .com

- SHARE TRANSFER SYSTEM:

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

Securities of the listed companies can be transferred only in dematerialized form w.e.f. April 1, 2019. Further, SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated January 25, 2022, mandated all listed companies to issue securities in dematerialized form only, while processing the service request of issue of duplicate securities certificate, claim from Unclaimed Suspense Account, renewal/ exchange of securities certificate, endorsement, sub-division/splitting of securities certificate, consolidation of securities certificates/folios, transmission and transposition.

In view of the same and to eliminate all risks associated with physical shares and avail various benefits of dematerialisation, Members are advised to dematerialise the shares held by them in physical form. Members can contact the Company or RTA, for assistance in this regard.

Also, share transactions in electronic form can be effected in a much simpler and faster manner. After a confirmation of a sale/ purchase transaction from the broker, shareholders should approach the Depository Participant ('DP') with a request to debit or credit the account for the transaction. The DP will immediately arrange to complete the transaction by updating the account.

Shareholders should communicate with Adroit Corporate Services Private Limited, the Company's Registrars and Transfer Agent ('RTA') quoting their folio number or Depository Participant ID ('DP ID') and Client ID number, for any queries to their securities.

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.

As on 31st March, 2022, 7090189 equity shares representing 95.93% of the total paid - up Capital of the Company are held in dematerialised form.

CERTIFICATES FROM PRACTISING COMPANY SECRETARIES

As required by Regulation 34(3) and Schedule V, Part E of the SEBI Listing Regulations, the certificate given by M/s Sudhanwa S. Kalamkar & Associates, Practising Company Secretaries regarding compliance of conditions of corporate governance, is annexed to the Board's Report.

As required by Clause 10 (i) of Part C under Schedule V of the SEBI Listing Regulations, the Company has received a certificate from M/s Sudhanwa S. Kalamkar & Associates, Practising Company Secretaries certifying that none of our Directors have been debarred or disqualified from being appointed or continuing as Directors of the Company by SEBI or MCA or such other statutory authority.

CEO AND CFO CERTIFICATION

As required by Regulation 17(8) read with Schedule II Part B of the SEBI Listing Regulations, the Chief Financial Officer has given appropriate certifications to the Board of Directors.

ANNUAL CERTIFICATE ON SECURITY TRANSFER

In terms of Regulation 40(9) and 61(4) of the SEBI Listing Regulations, certificates, on annual basis, have been issued by a Company Secretary in Practice with respect to due compliance of share and security transfer formalities by the Company.

RECONCILIATION OF SHARE CAPITAL AUDIT

The Company Secretary in Practice carried out a Reconciliation of Share Capital Audit to reconcile the total admitted capital with National Securities Depository Limited ('NSDL') and Central Depository Services (India) Limited ('CDSL') (collectively 'Depositories') and the total issued and listed capital. The Audit confirms that the total paid-up capital is in agreement with the aggregate of the total number of shares in physical form and in dematerialised form (held with Depositories). The Audit Report is disseminated to the Stock Exchange on quarterly basis and is also available on our website at www.rishitechtext.com

RELATED PARTY TRANSACTIONS

All transactions entered into with related parties as defined under the Act and Regulation 23 of the SEBI Listing Regulations, each as amended, during the year under review were on an arm's length price basis and in the ordinary course of business. These have been approved by the Audit Committee. Certain transactions which were repetitive in nature were approved through omnibus route by the Audit Committee. The Company has not entered into any materially significant related party transaction during the FY 2021-2022. Details of related party transactions are given in the notes to the financial statements.. The Policy on Related Party Transactions as approved by the Board of Directors from time to time is uploaded on the Company's website at www.rishitechtext.com

During FY 2021-22, the Company did not have any material pecuniary relationship or transactions with Non-Executive Director apart from paying Director's remuneration. Further, the Directors have not entered into any contracts with the Company or its subsidiaries, which will be in material conflict with the interest of the Company.

The Board has received disclosures from KMPs and Members of Senior Management relating to material, financial and commercial transactions where they and/or their relatives have personal interest.

VIGIL MECHANISM

The Vigil Mechanism approved by the Board provides a formal mechanism for all Directors, employees and vendors of the Company to approach the Chairman of the Audit Committee of the Company and make protective disclosures regarding the unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct. Under the Policy, in addition, Directors, employees, and vendors, may approach the Chief Ethics Counsellor to make any such protected disclosure. During the year under review, no person has been denied access to the Chairman of the Audit Committee. Details of the Vigil Mechanism are given in the Board's Report.

The Whistle Blower Policy for Directors and Employees is available on the Company's website at www.rishitechtext.com

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

The disclosure regarding the complaints of sexual harassment are given in the Board's Report.

NOMINATION FACILITY

Shareholders whose shares are in physical form and wish to make/change a nomination in respect of their shares in the Company, as permitted under Section 72 of the Act, may submit to RTA the prescribed Forms SH-13/SH-14. The Nomination Form can be downloaded from the Company's website www.rishitechtext.com under the section 'Investors'.

SHARES HELD IN ELECTRONIC FORM

Shareholders holding shares in electronic form may please note that instructions regarding change of address, bank details, e-mail ids, nomination and power of attorney should be given directly to the DP.

SHARES HELD IN PHYSICAL FORM

Shareholders holding shares in physical form may please note that instructions regarding change of address, bank details, e-mails ids, nomination and power of attorney should be given to the Company's RTA i.e, Adroit Corporate Services Private Limited.

SHAREHOLDING PATTERN AS ON 31ST MARCH 2022:

Category	No. of Shares held	% to Paid up Capital
Promoters	2545923	34.45
Banks/Financial Institutions	-	-
Bodies Corporate	541088	7.32
Non Resident Indians	194797	2.64
Public	4109192	55.59
Total	7391000	100.00

DISTRIBUTION OF SHAREHOLDING AS ON 31ST MARCH 2022:

No. of Shares	No. of Shareholders	% to Total	No. of Shares	% to Total
Up to 500	3449	85.82	458538	6.21
501-1000	227	5.65	180948	2.45
1001-2000	134	3.33	197603	2.67
2001-3000	51	1.27	128547	1.74
3001-4000	27	0.67	92303	1.25
4001-5000	29	0.72	134160	1.82
5001-10000	42	1.05	293190	3.97
Above 10000	60	1.49	5905711	79.9
Total	4019	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@rishitechtextex.com

CHIEF FINANCIAL OFFICER CERTIFICATION

To,
The Board of Directors
Rishi Techtex Limited,
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, 2022 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, 2022 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, 2022.
 - (ii) significant changes, if any, in accounting policies made during the financial year ended 31st March, 2022 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: 27.05.2022
Place: Mumbai

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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) 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, 2022**, 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 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.

For Sudhanwa S Kalamkar & Associates, Company Secretaries

Sudhanwa S Kalamkar

ACS: 18795 CoP: 7692

ICSI Peer Review Certificate No: 2478/2022

UDIN issued by the ICSI: A018795D000387207

Place: Mumbai
Date: 08-08-2022

CERTIFICATE ON CORPORATE GOVERNANCE

To
The Members of
Rishi Techtex Limited
Mumbai

I have examined the compliance of the conditions of Corporate Governance by **Rishi Techtex Limited** ('the Company') for the year ended on **March 31, 2022**, 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 my information and according to the explanations given to me, and the representations 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, I certify that, except to the extent of delay in submission of Annual Compliance Report pursuant to Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations for the year ended on **March 31, 2022**.

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.

For Sudhanwa S Kalamkar & Associates, Company Secretaries

Sudhanwa S Kalamkar

ACS: 18795 CoP: 7692

ICSI Peer Review No: 2478/2022

UDIN issued by the ICSI: A018795D000387231

Place: Mumbai

Date: 08-08-2022

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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, 2022.

Place: Mumbai
Date: 27.05.2022

By Order of the Board

Abhishek Patel
Managing Director



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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, 2022, 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 2022 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
Uncertain Indirect unsettled and disputed tax provision (as described in note 34 of the financial statements)	
<ul style="list-style-type: none"> 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 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. 	<ul style="list-style-type: none"> We have obtained all the details of litigation upto 31st March, 2022. There is no change in the status of the case. We performed test controls of management process of assessment and estimates with regard to uncertain indirect tax position 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. 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 We tested the adequacy of disclosure relating to uncertain indirect tax position for the year in the standalone financial statement
Accounting for Expected Credit Loss on trade receivables	
<ul style="list-style-type: none"> Management has considered estimates in computing the expected credit losses after considering credit history of customers and current market realities. 	<ul style="list-style-type: none"> 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. 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. We evaluated management's assumption on the impact of Covid 19 on the above matters. 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.

Information other than the standalone financial statements and auditors report thereon

5. 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.

Those 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, 2022 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, 2020, 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, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2022 from being appointed as a director in terms of Section 164(2) of the Act.
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
 - (g) With respect to the other matters to be included in the Auditor's Report in accordance with 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 2022.
 - iv. (a) the management has represented that to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("intermediaries"), with the understanding, whether recorded in writing or otherwise that the intermediary shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - (b) the management has represented that to the best of its knowledge and belief that other than as disclosed in the notes to the accounts, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("funding parties"), with the understanding, whether recorded in writing or otherwise that the company shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

- (c) Based on such audit procedures that the auditor has considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-section (a) and (b) contain any material mis-statement.
- v. Whether the dividend declared or paid during the year by the company is in compliance with section 123 of the Companies Act, 2013 – not applicable since the company has not declared any dividend during the year.

For Attar & Associates

Chartered Accountants

Firm Registration No: 116443W

S.G.Gangal

Partner

Membership No.037699

UDIN: 22037699AJRZQP6093

Place: Mumbai

Date: 27th May, 2022

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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 2022 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/-

- (a) 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: 22037699AJRZQP6093

Place: Mumbai

Date: 27th May, 2022

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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, 2022 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (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, 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India

For Attar & Associates

Chartered Accountants

Firm Registration No: 116443W

S.G.Gangal

Partner

Membership No.037699

UDIN: 22037699AJRZQP6093

Place: Mumbai

Date: 27th May, 2022

Balance sheet as at 31st March 2022

(₹ In Lakhs)

Particulars	Note no.	As at 31.03.2022	As at 31.03.2021
ASSETS			
Non-current assets			
a) Property, plant and equipment	4	2,406.74	2,084.77
b) Capital work-in-progress	4	-	59.76
c) Financial assets			
i) Investments	5	20.07	20.96
ii) Other financial assets	6	81.33	87.03
Total Non Current Assets		2,508.14	2,252.52
Current assets			
a) Inventories	7	2,563.57	2,596.20
b) Financial assets			
i) Trade Receivables	8	1,199.55	1,033.98
ii) Cash and cash equivalents	9	9.29	9.41
iii) Bank Balances Other than (ii) above	10	84.19	82.10
iv) Other financial assets	11	0.21	0.27
c) Current Tax Assets (net)	12	36.56	26.04
d) Other current assets	13	278.55	306.28
Total Current Assets		4,171.92	4,054.28
TOTAL ASSETS		6,680.06	6,306.80
EQUITY AND LIABILITIES			
EQUITY			
a) Equity Share capital	14	739.10	739.10
b) Other equity	15	2,199.32	2,068.36
Total Equity (a+b)		2,938.42	2,807.46
LIABILITIES			
Non-current liabilities			
a) Financial liabilities			
i) Borrowings	16	610.08	458.91
ii) Other financial liabilities	17	37.25	32.01
b) Provisions	18	140.06	119.00
c) Deferred tax liabilities (Net)	19	226.45	200.15
Total Non Current Liabilities		1,013.84	810.07
Current liabilities			
a) Financial liabilities			
i) Borrowings	20	1,427.35	1,446.87
ii) Trade Payables	21		
Total outstanding dues of micro enterprises and small enterprises		242.74	208.70
Total outstanding dues of creditors other than micro enterprises and small enterprises		609.45	596.61
iii) Other financial liabilities	22	271.47	311.56
b) Other current liabilities	23	76.65	76.55
c) Provisions	24	100.14	48.98
d) Current Tax liabilities (net)	25	-	-
Total Current Liabilities		2,727.80	2,689.27
Total Liabilities		3,741.64	3,499.34
TOTAL EQUITY AND LIABILITIES		6,680.06	6,306.80
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

Membership No.: 037699

UDIN:22037699AJRZQP6093

Mumbai

27th May, 2022

For and on behalf of the Board of Directors

Abhishek Patel

Managing Director

DIN 05183410

Gauri Gangal

Company Secretary

M. No: 52130

Mumbai

27th May, 2022

Sheela Ayyar

Director

DIN 06656579

Jagdish Dokwal

Chief Financial Officer

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

(₹ In Lakhs)

Particulars	N o t e no.	As at 31.03.2022	As at 31.03.2021
Income			
I Revenue from operations	26	10,085.75	8,106.79
II Other income	27	22.69	15.66
III Total Income (I+II)		10,108.44	8,122.45
IV EXPENSES			
Cost of materials consumed	28	7,553.04	5,930.60
Changes in inventories of finished goods, stock-in-trade and work in progress	29	2.33	(22.49)
Employee benefits expense	30	913.70	785.19
Finance cost	31	234.77	252.67
Depreciation and amortization expense	4	213.34	199.62
Other expenses	32	981.79	916.80
Total expenses (IV)		9,898.97	8,062.39
V Profit/ (loss) before tax (III-IV)		209.47	60.06
VI Tax expense			
a) Current tax		51.32	16.55
b) Deferred tax		26.30	6.85
c) Excess / Short Provision of tax		0.00	(5.22)
Total Tax Expense (VI)		77.62	18.18
VII Profit/ (loss) for the period (V-VI)		131.85	41.88
VIII Other comprehensive income			
a) i) Items that will not be reclassified to profit or loss		(0.89)	0.38
ii) Income tax relating to items that will not be reclassified to profit or loss		0.00	0.00
Total Other comprehensive income, net of tax (VIII)		(0.89)	0.38
IX Total comprehensive income for the period (VII+VIII)		130.96	42.26
X Earnings per equity share (FV of ₹ 10/-)			
a) Basic		1.78	0.57
b) Diluted		1.78	0.57
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

Membership No.: 037699

UDIN:22037699AJRZQP6093

Mumbai

27th May, 2022

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Director

DIN 06656579

Jagdish Dokwal

Chief Financial Officer

Cash Flow Statement for the year ended 31st March 2022

(₹ In Lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
PROFIT BEFORE TAX	209.47	60.06
Adjusted for:		
Other comprehensive income during the year	(0.89)	0.38
Depreciation and amortisation expenses	213.34	199.62
Interest & Other finance charges	234.77	252.67
Interest Received	(5.67)	(8.08)
Dividend received	-	-
Deferred Tax	26.30	6.85
Net foreign exchange (gain) / loss	(13.70)	(7.58)
Profit on sale of Assets	(3.32)	-
Less: Expected Credit Loss	-	-
Less: Tax Impact on Gratuity	450.83	-
	660.30	503.92
A. OPERATING PROFIT BEFORE WORKING CAPITAL CHANGE		
Adjusted for (Increase)/Decrease in operating Assets:		
Trade and other Receivable	(165.57)	(123.15)
Inventories	32.63	(148.99)
Other Financial Asset	0.06	0.65
Current Tax Assets (net)	(10.52)	(26.04)
Other current assets	27.73	(46.34)
Bank Balances Other than above	(2.09)	(12.22)
Adjusted for Increase/(Decrease) in operating Liabilities:		
Borrowing	(19.52)	(174.78)
Trade payables	46.88	(41.60)
Other Financial liabilities	(40.09)	187.33
Short-term provisions	0.10	10.35
Short-Term Liabilities and provisions	51.16	(11.74)
Current Tax Liability (net)	-	(21.33)
	(79.23)	(407.86)
CASH GENERATED FROM OPERATIONS	581.07	96.06
Less: Taxes Paid	77.62	18.18
Net Cash From Operating Activities	503.45	77.88
B. CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of Fixed Assets	(475.55)	(161.01)
(including Capital Work in Progress)		
Sale of Investments	-	-
Other Comprehensive Income	0.89	(0.38)
Interest Received	5.67	8.08
Sale of Fixed Assets	3.32	-
Net foreign exchange gain / (loss)	13.70	7.58
Dividend received	-	-
Profit on sale of assets	-	-
Other Financial Asset	5.70	(12.81)
Net Cash (Used in) Investing Activities	(446.27)	(158.54)

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Cash Flow Statement for the year ended 31st March 2022

(₹ In Lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
C. CASH FLOW FROM FINANCING ACTIVITIES:		
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)	151.17	163.82
Other Financial Liability	5.24	(21.71)
Provisions	21.06	34.02
Interest and other finance charges	(234.77)	(252.67)
Net Cash (Used in) From Financing Activities	(57.30)	69.39
NET INCREASE IN CASH AND CASH EQUIVALENTS: (A+B+C)	(0.12)	(11.26)
OPENING BALANCE OF CASH & CASH EQUIVALENTS	9.41	20.67
CLOSING BALANCE OF CASH & CASH EQUIVALENT	9.29	9.41

As per our attached report of even date

For **Attar & Associates**

Chartered Accountants

Firm Registration No.: 116443W

S.G.Gangal

Partner

Membership No.: 037699

UDIN:22037699AJRZQP6093

Mumbai

27th May, 2022

For and on behalf of the Board of Directors

Abhishek Patel

Managing Director

DIN 05183410

Gauri Gangal

Company Secretary

M. No: 52130

Mumbai

27th May, 2022

Sheela Ayyar

Director

DIN 06656579

Jagdish Dokwal

Chief Financial Officer

Notes forming part of Financial Statements for the year ended 31st March, 2022

1 Corporate information

Rishi Techtex Limited is a public limited company incorporated and domiciled in India. Its shares are listed on the recognized stock exchange, 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, petrochemicals, etc.

These financial statements were authorized for issue by the Board of Directors on May 27, 2022.

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] 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 recognized in the period in which results are known or materialized.

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. Summary of 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 recognized 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 recognized in the Statement of Profit and Loss.

Spare parts, stand-by equipment and servicing equipment are recognized 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'.

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 recognized 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 recognized 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 recognized 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 recognized.

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.

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 amortized 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 recognized when the Company becomes a party to the contractual provisions of the instrument. Financial assets are recognized 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 amortized cost. Interest income from these financial assets is included in interest income using the Effective Interest Rate (EIR) method the amortization of EIR and loss arising from impairment, if any is recognized 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 recognized in the OCI. Interest income measured using the EIR method and impairment losses, if any are recognized in the Statement of Profit and Loss.

On de-recognition, cumulative gain/ (loss) previously recognized 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 amortized 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, recognized 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 amortized 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 recognized 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.

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 up to 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.

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 counterparty.

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.

Borrowing costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized 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 capitalization. Other borrowing costs are expensed in the period in which they are incurred.

Revenue

Revenue Recognition

Revenue is the gross inflows of economic benefits received / receivable net of variable consideration on account of various discounts given 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.

Other Income

Interest income is accrued on a time proportion basis by reference to the principal outstanding and the effective Interest rate.

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

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 & 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
Gross carrying value, at cost										
Opening as on 1st April 2020	1.27	370.32	4,178.15	31.44	36.76	67.81	125.99	9.63	4,821.37	0.00
Addition		0.00	91.81	0.00	0.00	9.44	0.00	0.00	101.25	59.76
Disposal			0.00		0.00				0.00	
As at 31st Mar, 2021	1.27	370.32	4,269.96	31.44	36.76	77.25	125.99	9.63	4,922.62	59.76
Addition		22.34	465.43	0.00	10.66	14.61	30.00		543.04	0.00
Disposal			89.63		0.00			0.00	89.63	59.76
As at 31st Mar, 2022	1.27	392.66	4,645.76	31.44	47.42	91.86	155.99	9.63	5,376.03	0.00
Accumulated Depreciation/amortisation										
Opening as on 1st April 2021		208.85	2,407.29	10.02	27.24	55.70	119.19	9.56	2,837.85	
Charge for the year		18.77	171.28	2.37	3.58	11.24	6.10	0.00	213.34	
Diposal		0.00	81.90	0.00	0.00	0.00	0.00	0.00	81.90	
As at 31st Mar, 2022		227.62	2,496.67	12.39	30.82	66.94	125.29	9.56	2,969.29	
As at 31st Mar, 2022		227.62	2,496.67	12.39	30.82	66.94	125.29	9.56	2,969.29	
Net Book Value										
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
As at 31st March 2022	1.27	165.04	2,149.09	19.05	16.60	24.92	30.70	0.07	2,406.74	0.00

5 Non current Investment

(₹ In Lakhs)

Particulars	Face value	As at 31.03.2022		As at 31.03.2021	
		Number of Shares	Value	Number of Shares	Value
1. M/S Centennial Finance Ltd.	10	138000	17.07	138000	18.05
TOTAL			17.07		18.05
Investment in Equity Instruments					
Quoted at Cost:					
Others:					
1. M/S Adarsh Chemical & Fertilisers Ltd.	10	28000	1.40	28000	1.40
2. M/S Stanrose Mafatlal Ltd.	10	1722	1.45	1722	1.33
3. Std Ind Ltd.	10	900	0.11	900	0.17
4. Shares of TGVSRRAK Ltd (52.05 Per Share)	10	50	0.04	50	0.01
TOTAL			3.00		2.91
Total			20.07		20.96
Market Value:					
Quoted			2.99 Lakhs		2.91 Lakhs
Unquoted					

(₹ In Lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
Total Non Current Investments	20.07	20.96
Aggregate value of quoted investments	3.00	2.91
Aggregate value of unquoted investments	17.07	18.05

6 Other Financial Assets - Non Current

(₹ In Lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
Security deposits for utilities and premises	81.33	87.03
Total	81.33	87.03

7 Inventories

(₹ In Lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
(a) Raw materials	840.29	869.93
(b) Work-in-progress	1,499.87	1,563.57
(c) Finished Goods	77.77	16.40
(d) Stores and spares	145.64	146.30
Total	2,563.57	2,596.20

* Refer note number 3 of accounting policies

8 Trade Receivables

(₹ In Lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
Unsecured, Considered Good	1,199.55	1,033.98
ii) Unsecured, considered doubtful	0.00	0.00
Total	1,199.55	1,033.98
Less : Allowance for doubtful debts (expected credit loss)	0.00	0.00
Total	1,199.55	1,033.98

9 Cash and cash equivalents

(₹ In Lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
(a) Balances with banks		
In current accounts	8.16	8.71
(b) Cash on hand	1.13	0.70
Total	9.29	9.41

10 Bank Balances Other Than Above

(₹ In Lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
Bank balances other than cash and cash Equivalents	84.19	82.10
Total	84.19	82.10

11 Other financial assets (Current)

(₹ In Lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
Other receivables	0.21	0.27
Total	0.21	0.27

12 Current Tax Assets (Net)

(₹ In Lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
Advance Tax(Net of provisions)	36.56	26.04
Total	36.56	26.04

13 Other current assets

(₹ In Lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
a) Advance recoverable in cash or kind or for value to be received	50.37	38.59
b) Prepaid Expenses	28.08	16.11
c) Balances with government authorities		
Unsecured, considered good		
(i) Balance in GST	93.45	97.94
(ii) VAT credit receivable	4.08	4.08
(iii) MAT Adjustment of Previous years	83.87	99.92
(iv) GST Refund Receivable	18.70	49.64
Total	278.55	306.28

14 Equity Share Capital

(₹ In Lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
Authorised shares		
80,00,000 Equity shares of Rs.10/-Each	800.00	800.00
	800.00	800.00
Issued, Subscribed and fully Paid up shares		
7,391,000 equity shares of Rs. 10/- each (Refer note (a) below)	739.10	739.10
Balance at end of year	739.10	739.10

a) Reconciliation of Number of Shares (Equity)

(₹ In Lakhs, except no. of shares data)

	2021-22		2020-21	
	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	-	-	-	-
Number of Shares outstanding as at the end of the year	7,391,000.00	739.10	7,391,000.00	739.10

b) Rights, preferences, restrictions of equity shares

The company has only one class of equity shares having a par value of Rs.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

Name of the Shareholders	As at 31.03.2022		As at 31.03.2021	
	No. of Shares	% held	No. of Share	% held
Abhishek Patel	1,017,095	13.76%	1,017,095	13.76%
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 31.03.2022	As at 31.03.2021
Capital Reserve		
Balance at end of year	49.07	49.07
	49.07	49.07
Securities Premium Reserve		
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	587.04	587.04
General Reserve		
Balance at end of year	401.88	401.88
	401.88	401.88
Money Received Against Share Warrants		
Balance at end of year	-	-
	-	-
Retained Earning		
Balance at the beginning of year	1,030.37	842.18
Add : Profit for the year	131.85	41.88
Add : Other comprehensive income during the year	(0.89)	0.38
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	1,161.33	1,030.37
TOTAL	2,199.32	2,068.36

16 Borrowings - Non Current

(₹ In Lakhs)

Particulars	As at 31.03.2022		As at 31.03.2021	
	Non Current Portion	Current Portion	Non Current Portion	Current Portion
Term loans				
From banks				
Secured				
1. Term loan From Canara Bank: Secured by First Charge on Company's Land and Building, Machinaries at Survey No.381, Causway Road, Kachigam, Daman. (Repayment of Rs. 5.50 Lakhs (previous year Rs. 4/-Lakhs)/- Lakhs/ Month from April 2019 to March 2023)	0.00	56.83	56.84	48.00
2. Term loan From Canara Bank - COVID -19: Secured by First Charge on Company's Land and Building, Machinaries at Survey No.381, Causway Road, Kachigam, Daman. (Repayment of Rs. 8.33/- Lakhs (previous year Rs. 8.33 /-Lakhs)/- Lakhs/Month for 18 months From Dec.2020 to May 2022.)	0.00	16.67	16.66	100.00
3. Term loan From Canara Bank Under GECL: Secured by First Charge on Company's Land and Building, Machinaries at Survey No.381, Causway Road, Kachigam, Daman. (Repayment of Rs. 9.44/- Lakhs (previous year Rs. 9.44 /-Lakhs) Month for 36 months From Sept.21 to July 2024.)	160.56	113.33	273.89	66.11
4. Term loan From Canara Bank: Secured by First Charge on Company's Land and Building, Machinaries at Survey No.381, Causway Road, Kachigam, Daman. (Repayment of Rs. 5.96 Lakhs /Month from April 2022 to Sept.2026)	250.52	71.58		
5. Term loan From Canara Bank under GECL: Secured by First Charge on Company's Land and Building, Machinaries at Survey No.381, Causway Road, Kachigam, Daman. (Repayment of Rs. 4.42 Lakhs/Month) from Jan.2024 to Dec.2026)	159.00	0.00		
Total Secured Loan	570.08	258.41	347.39	214.11
From other parties				
Secured				
1. Loan from Diwan Housing Fin. Corporation Ltd. Repayment of Rs. NIL (Previous Year Rs. 1.93 Lakhs P.M.(EMI)	0.00	0.00	13.18	20.85
2. Loan from Hero Fincorp Ltd. Repayment of Rs. NIL (Previous Year Rs. 3.01 Lakhs P.M. EMI) .	0.00	8.06	0.00	30.21
Total Secured Loan	0.00	8.06	13.18	51.06
Unsecured				
1. Loan from Bajaj Fin. Services Repayment of Rs. NIL (Previous Year Rs. 1.24 Lakhs P.M. EMI)	0.00	0.00	13.71	11.58
2. Loan from IIFL Repayment of Rs. NIL (Previous Year Rs. 1.43 Lakhs P.M.EMI)	0.00	0.00	22.99	13.29
3. Loan from Tata Finance Ltd. Repayment of Rs. NIL(Previous Year Rs. 1.77 Lakhs P.M.EMI)	0.00	0.00	21.64	16.52
Total Unsecured Loan	0.00	0.00	58.34	41.39
Deposits received from members				
Unsecured	40.00	5.00	40.00	5.00
	40.00	5.00	40.00	5.00
Total	610.08	271.47	458.91	311.56

17 Other financial liabilities - Non Current

(₹ In Lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
(i) Creditor for capital goods	14.25	7.49
(ii) Payable on Contractually Reimbursable Expenses	23.00	24.52
Total	37.25	32.01

18 Provisions

(₹ In Lakhs)

Particulars	Non Current	
	As at 31.03.2022	As at 31.03.2021
Provision for employee benefits:		
- Provision for gratuity liability	140.06	119.00
Total	140.06	119.00

19 Deferred Tax Liabilities (net)

(₹ In Lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
Deferred Tax Liabilities		
Depreciation on Property, Plant, & Equipment	271.86	239.07
Total (A)	271.86	239.07
Deferred Tax Assets		
Provision for Bonus	5.16	4.80
Provision for Gratuity	38.97	33.11
Provision for Leave Encashment	1.28	1.01
Total (B)	45.41	38.92
Total (A-B)	226.45	200.15

20 Borrowings - Current

(₹ In Lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
Loans repayable on demand		
From banks		
Secured	1,427.35	1,446.87
Total	1,427.35	1,446.87

21 Trade payables

(₹ In Lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
Total outstanding dues of micro enterprises and small enterprises	242.74	208.70
Total outstanding dues of creditors other than micro enterprises and small enterprises	609.45	596.61
Total	852.19	805.31

22 Other financial liabilities - Current

(₹ In Lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
Current Maturities of Long Term Debt	271.47	311.56
Total	271.47	311.56

23 Other current liabilities

(₹ In Lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
Statutory dues	28.34	29.89
Employee benefits payable	48.31	46.66
Total	76.65	76.55

24 Provisions

(₹ In Lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
(a) Provision for employee benefits:		
(i) Provision for leave encashment	4.60	3.64
(ii) Provision for gratuity liability	25.78	19.48
(b) Provision - Others:		
(i) Provision - others	69.76	25.86
Total	100.14	48.98

25 Current Tax Liabilities

(₹ In Lakhs)

Current tax Assets	As at 31.03.2022	As at 31.03.2021
Advance Tax	-	-
TDS	-	-
Sub Total	-	-
Current tax liabilities		
Provision for Tax	-	-
Sub Total	-	-
Total	-	-

26 Revenue from operations

(₹ In Lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
Sale of Products (including excise duty)	10,072.42	8,094.50
Other operating revenue:		
Scrap sale	13.33	12.29
Total	10,085.75	8,106.79

27 Other income

(₹ In Lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
Interest income:		
Interest from bank deposits	5.67	8.08
Dividend Income		
From long Term Investment	0.00	0.00
Other Non Operating Income - Profit on sale of Assets	3.32	0.00
Net gain / (loss) on foreign currency transactions and translation	13.70	7.58
Total	22.69	15.66

28 Cost of Raw Material and components consumed

(₹ In Lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
Opening stock	869.93	742.03
Add: Purchases	7,523.40	6,058.50
	8,393.33	6,800.53
Less: Closing stock	840.29	869.93
Cost of material consumed	7,553.04	5,930.60

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

(₹ In Lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
Inventories at the Commencement		
Finished Goods	16.40	13.93
Work in progress	1,563.57	1,543.55
Inventories at Close		
Finished Goods	77.77	16.40
Work in progress	1,499.87	1,563.57
(Increase) / Decrease in Finished Goods	(61.37)	(2.47)
(Increase) / Decrease in Work in progress	63.70	(20.02)
Net (increase) / decrease	2.33	(22.49)

30 Employee benefit expense

(₹ In Lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
Salaries and Wages	842.71	722.84
Contributions to provident and other funds	37.17	31.78
Gratuity expenses/Leave Encashment	25.78	23.12
Staff welfare expenses	8.04	7.45
Total	913.70	785.19

31 Finance cost

(₹ In Lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
Interest	209.89	236.62
Other borrowing costs	24.88	16.05
Total	234.77	252.67

32 Other expenses

(₹ In Lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
Consumption of stores and spares		
Op. Stock	146.30	147.70
Add: Purchases during the year	172.09	153.46
	318.39	301.16
Less: Closing Stock	145.64	146.30
Consumption of Stores and Spares	172.75	154.86
Processing charges	106.01	116.23
Power and fuel	273.05	237.01
Repairs and maintenance:		
Plant and Machinery	29.82	23.02
Others	8.63	9.52
Rent	70.76	59.87
Insurance	16.85	19.33
Rates and taxes	3.44	1.16
Printing and Stationary	5.19	4.69
Travelling and conveyance	14.99	7.38
Postage, Telephone, Telex	5.26	5.76
Donations and contributions	-	0.00
Legal and professional	70.30	67.40
Payments to auditors	3.50	3.50
Security charges	22.37	20.31
Sundry Dr./Cr. Balance written off	0.71	1.40
Selling and distribution expense	141.40	154.44
Miscellaneous expenses	36.76	30.92
Total	981.79	916.80

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)

I. Expenses recognized in the statement of profit and loss		31-Mar-22	31-Mar-21
1	Current Service Cost	10.23	9.35
2	Interest Cost [(Income)/Expense]	7.90	6.84
3	Actuarial Losses / (Gains) / Remeasurements in OCI	7.65	3.28
4	Past Service cost	-	-
Total		25.78	19.47

(₹ In Lakhs)

II. Amount recognized in other comprehensive income (OCI)		31-Mar-22	31-Mar-21
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		5.33	4.44
Demographic Assumptions		-	-
Total		5.33	4.44

III. Reconciliation of defined benefit obligation:

(₹ In Lakhs)

Particulars	31-Mar-22	31-Mar-21
Opening Defined Benefit Obligation	119.00	106.22
Current service cost	10.23	9.35
Interest cost	7.90	6.84
Actuarial loss/(gain) due to change in demographic Assumptions	-	-
Actuarial loss/(gain) due to change in financial assumptions	2.32	(1.16)
Actuarial loss/ (gain) due to experience adjustments	5.33	4.44
Benefits paid	(4.71)	(6.69)
Closing Defined Benefit Obligation	140.07	119.00

IV. Reconciliation of plan assets:

(₹ In Lakhs)

Particulars	31-Mar-22	31-Mar-21
Opening value of plan assets	-	-
Interest Income	-	-
Return on plan assets excluding amounts included in interest income	-	-
Employer Direct Benefit Payments	4.71	6.69
Benefit Payments from Employer	(4.71)	(6.69)
Assets Withdrawn	-	-
Closing value of plan assets	-	-

(₹ In Lakhs)

V. Net (Asset) / Liability recognised in the Balance Sheet as at 31 March	31-Mar-22	31-Mar-21
Present value of defined benefit obligation (DBO)	119.00	106.21
Net (Asset) / Liability	140.06	119.00

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VI. The significant actuarial assumptions were as follows:

(₹ In Lakhs)

Particulars	31.03.22	31.03.21
Discount rate	7.11% p.a.	6.77% p.a.
Attrition rate		
Rate of return on plan assets		
Salary escalation rate	4.00% p.a.	3.50% p.a.

VII. Bifurcation of present value of obligation at the end of the valuation period as per Schedule III of Companies Act 2013:

(₹ In Lakhs)

Particulars	31.03.22	31.03.21
Current Liability	34.74	30.80
Non - Current Liability	105.32	88.20
Total	140.06	119.00

Sensitivity Analysis

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)

	As at 31.03.22	As at 31.03.21
Increase by 1% in discount rate	153.11	130.58
Decrease by 1% in discount rate	128.68	108.95
Increase by 1% in rate rate of salary increase	143.05	121.86
Decrease by 1% in rate rate of salary increase	136.69	115.75
Increase by -1% in rate rate of employee turnover	129.85	109.98
Decrease by -1% in rate rate of employee turnover	151.97	129.56

34 Contingent liability

(₹ In Lakhs)

Contingent liability	Mar-22	Mar-21
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
Commitments		
Estimated amount of Capital contract remaining to be executed for tangible Assets	46.00	350.00

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 Rs. 20.33 Lakhs 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 Rs.66,88,822/- (Net of Bank Guarantee Rs.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.

Appeal filed against adjudication order passed by the Adjudicating authority is pending. The Tribunal is Non functional for the last more than 2 years for the reason the chairman and other members are retired and Government has not so far appointed any new chairman or member. The cases are just adjourned without any hearing.

35 Reconciliation of Tax Expense

(₹ In Lakhs)

	Year ended 31-Mar-22	Year ended 31-Mar-21
(a) Income tax expenses :		
Current tax- In respect of the current year	51.32	16.55
Deferred tax- In respect of the current year	26.30	6.85
Total	77.62	23.40
(b) Income tax recognised in Other Comprehensive Income		
Remeasurements of the defined benefit plans	-	-
Total income tax expense recognised in the year (a + b)	77.62	23.40

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:

Nature of transaction	31-Mar-22	31-Mar-21
Related Party		
Rent Paid	3.00	3.00
Loans & Deposit Paid		
Key management personnel		
Remuneration/ Reimbursement	132.24	118.17
Balance outstanding as at year end		
Receivable/ (Payable)		
Non-executive directors and their relatives		
Remuneration/ Reimbursement/sitting fees	0.45	0.45
Professional Fees		
Balance outstanding at year end		
Receivable/ (Payable)		

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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.

Amount in Rupees

Movement in allowance for credit loss during the year was as follows :	Mar-22	Mar-21
Balance at 1 April	10,33,98,481	8,52,631
Add :- Provided during the year	-	-
Less :- Reversal during the year	-	8,52,631
Balance as at 31 March	11,99,14,826	-
Net Trade receivable	11,99,14,826	10,33,98,481

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

Amount in Rupees

Financial assets	Mar-22	Mar-21
Measured at amortised cost:-		
Trade Receivables	11,99,14,826	10,33,98,481
Cash and cash equivalents and bank balances	93,48,180	91,51,258
Other financial assets	21,563	26,941
Loans		
Restricted deposits		

Total	12,92,84,569	11,25,76,680
Financial Liabilities		
Measured at amortised cost:-		
Borrowings	14,27,34,809	14,46,86,964
Acceptance		
Trade payables	8,51,19,293	8,05,30,358
Other financial liabilities	2,71,47,191	3,11,55,418
Total	25,50,01,293	25,63,72,740

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

	Amount in Rupees	
Financial assets:-carrying value/fair value	Mar-22	Mar-21
Measured at fair value through profit and loss:		
Investments	20,96,113	20,96,113
Total	20,96,113	20,96,113

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 31.03.22	As at 31.03.21
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	242.74	208.70
Interest	6.44	1.48
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;	6.44	1.48
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 31.03.22	As at 31.03.21
Lease rental charges for the year	70.76	59.87
Future Lease rental obligation payable (under non-cancellable lease)	-	-
Not later than one year	67.76	55.67
Later than one year but not later than five years	71.05	58.45

Later than five years	-	-
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- 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	Mar-22	Mar-21
a) Profit after tax attributable to equity shareholders of the company	131.85	41.88
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	1.78	0.57
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	1.78	0.57

41 Auditors Remuneration

(₹ In Lakhs)

Particulars	Mar-22	Mar-21
As auditor:		
Statutory audit (including IFC)	3.50	3.50
In other capacity:		
Reimbursement of expenses	-	-

For and on behalf of the Board of Directors

Abhishek Patel
Managing Director
DIN 05183410

Gauri Gangal
Company Secretary
M. No: 52130
Mumbai
27th May, 2022

Sheela Ayyar
Director
DIN 06656579

Jagdish Dokwal
Chief Financial Officer

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, Byculia (West), Mumbai- 400011
 Website: 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. Sheela Ayyar	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 -

i) statutory dues - **Nil**

ii) debentures and interest thereon - **Nil**

iii) 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. 288.94 Lakhs**

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. 1011.27 Lakhs**

The aggregate of deposits actually held on the last day of the immediately preceding financial year - **Rs. 45.00/- Lakhs**

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. 1011.27 Lakhs**

Amount of deposit repayable within the next twelve months - **Rs 15.00 Lakhs 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 9th June, 2022 for Long Term Rating: CRISIL BBB-/Stable(Reaffirmed) and Short Term Rating: CRISIL A3 (Reaffirmed).

i. Short particulars of the charge created or to be created for securing such deposits - **Not Applicable**

j. 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 Lakhs**

b. Date of acceptance -

Date of Acceptance	No. of Depositors	Amount of Deposit
28.02.2020 & 28.03.2022	3	3000000
28.02.2021 & 28.03.2022	1	1000000
28.02.2022	1	500000

c. Total amount accepted - **Rs. 45.00 Lakhs**

d. Rate of interest - **12.5%**

e. Total number of depositors - **5**

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;

(Rs. In Lakhs)

Accounting Year	Profit Before Tax	Profit After Tax
Year ended 31.03.2020	221.54	99.66
Year ended 31.03.2021	60.06	41.88
Year ended 31.03.2022	209.47	131.85

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 31.03.2020	Nil
Year ended 31.03.2021	Nil
Year ended 31.03.2022	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;

(Rs. In lakhs)

	As at 31.03.2020	As at 31.03.2021	As at 31.03.2022
Liabilities			
Share Capital	739.10	739.10	739.10
Reserves & Surplus	1880.17	2068.36	2199.32
Non-Current Liabilities	627.09	810.07	1013.84
Current Liabilities	2741.04	2689.27	2727.80
	5987.40	6306.80	6680.06
Assets			
Fixed Assets	2183.14	2084.77	2406.74
Investment	20.59	20.96	20.07
Other Non-Current Financial Assets	74.22	87.03	81.33
Current Assets	3709.45	4054.28	4171.92
	5987.40	6306.80	6680.06

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

(Rs. In Lakhs)

	As at 31.03.2020	As at 31.03.2021	As at 31.03.2022
Net profit before tax & extraordinary items	221.54	60.06	209.47
Adjustment for Depreciation, Int. and other items	457.41	443.86	450.83
Operating profit before working capital change	678.95	503.92	660.30
(a) Cash generated from operations	573.13	96.06	581.07
(b) Cash flow from Investing Activities	(409.22)	(158.54)	(446.27)
(c) Cash Flow from Financing Activities	(146.20)	69.39	(57.30)
Net increase in cash & Cash equivalents (a+b+c)	(104.17)	(11.26)	(0.12)
Opening Balance cash & Cash equivalents	124.84	20.67	9.41
Closing Balance cash & Cash equivalents	20.67	9.41	9.29

- 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-

- 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;
- 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;
- the company has complied with the provisions of the Act and the rules made thereunder;
- the compliance with the Act and the rules does not imply that repayment of deposits is guaranteed by the Central Government;
- the deposits accepted by the company before the commencement of the Act have been repaid.
- In case of any adverse change in credit rating, depositors will be given a chance to withdraw deposits without any penalty.
- the deposits shall be used only for the purposes indicated in the Circular or circular in the form of advertisement;
- 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: 27th May, 2022

Place: Mumbai

Notes

[illegible]

Notes

[illegible]

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@rishitechtex.com; info@rishitechtex.com to opt an option to receive AnnualReport 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



RISHI TECHTEX

Registered Office

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

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Fax : 022-23080022

Email : info@rishitechtex.com