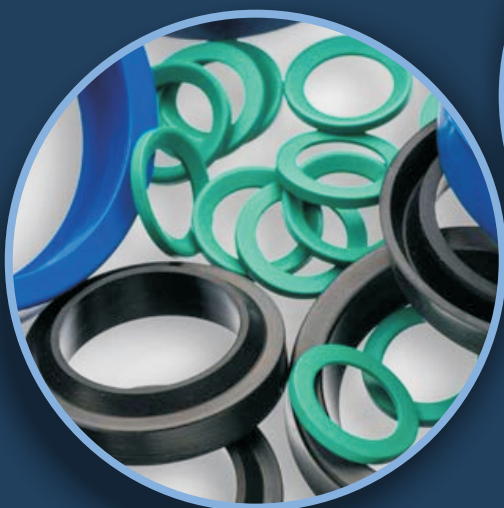




www.cpil.com

CHANDRA PRABHU INTERNATIONAL LIMITED



36TH
ANNUAL REPORT
2020-21



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CHANDRA PRABHU INTERNATIONAL LIMITED

AT A GLANCE

VISION

CPIL's business ethics promote higher levels of excellence. The group's values of Customer Sovereignty, People Orientation, Innovation & Entrepreneurship, Transparency & Integrity, Passion for Superior Performance, Anticipation, Speed and Flexibility propel it to perform and excel in all spheres of activity.

PURPOSE

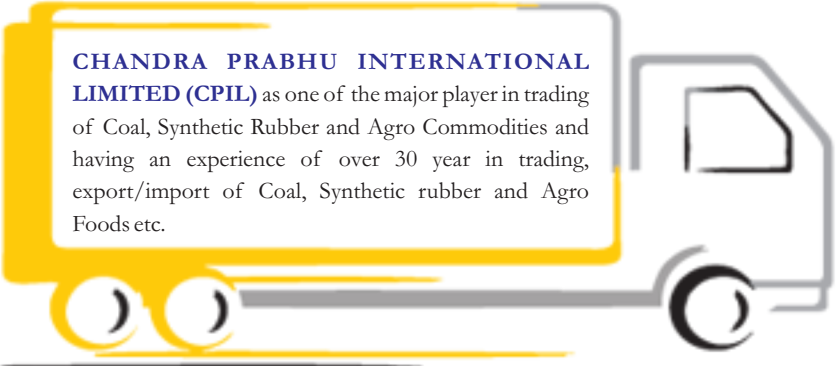
Our purpose is to meet the needs of communities across the India by delivering coal and agro commodities safely and sustainably.

MISSION

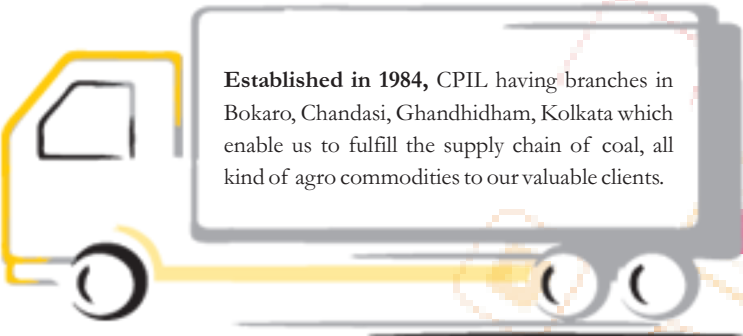
To emerge as a keen leader in the Coal Trading Business by attaining environmentally & socially sustainable growth through best practices. Company is Committed to achieve it's goal in an efficient and eco-friendly manner with due regards in safety, conservation and quality.



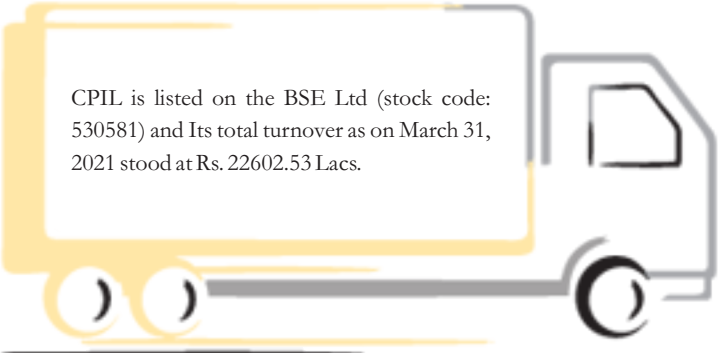
ABOUT CPIL



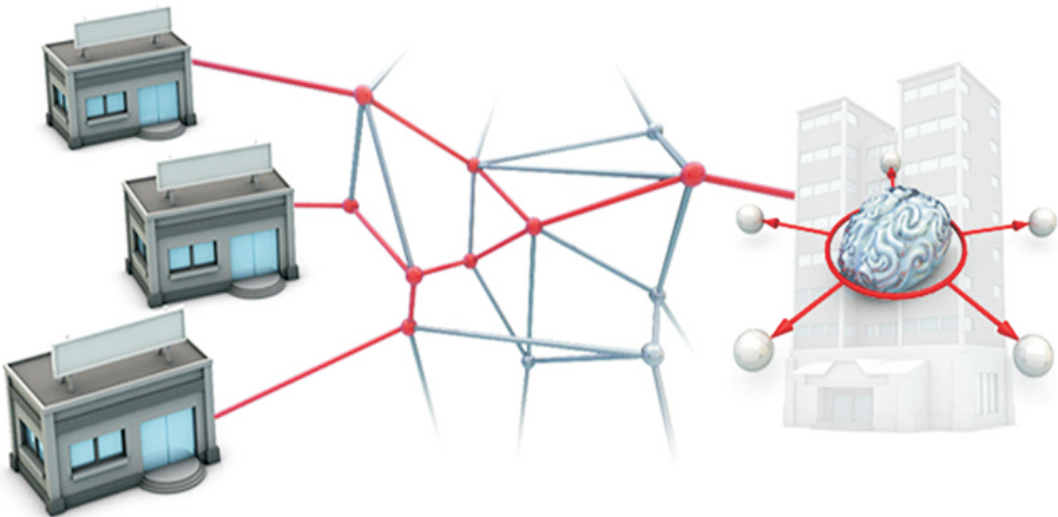
CHANDRA PRABHU INTERNATIONAL LIMITED (CPIL) as one of the major player in trading of Coal, Synthetic Rubber and Agro Commodities and having an experience of over 30 year in trading, export/import of Coal, Synthetic rubber and Agro Foods etc.



Established in 1984, CPIL having branches in Bokaro, Chandasi, Ghandhidham, Kolkata which enable us to fulfill the supply chain of coal, all kind of agro commodities to our valuable clients.



CPIL is listed on the BSE Ltd (stock code: 530581) and Its total turnover as on March 31, 2021 stood at Rs. 22602.53 Lacs.

**Registered Office: DELHI**

14, Rani Jhansi Road,
New Delhi - 110055

Corporate Office : GURUGRAM

522, Fifth Floor, DLF Galleria
Commercial Complex,
DLF City Phase IV,
Gurugram, Haryana - 122009

BRANCHES ACROSS INDIA**BOKARO**

Plot No.-815, Khata No.-118,
Gomia, Bokaro, Jharkhand - 829111

GANDHIDHAM

First Floor, 112 113, Sector 8,
Gandhidham,
Kachchh, Gujarat - 370205

CHANDASI

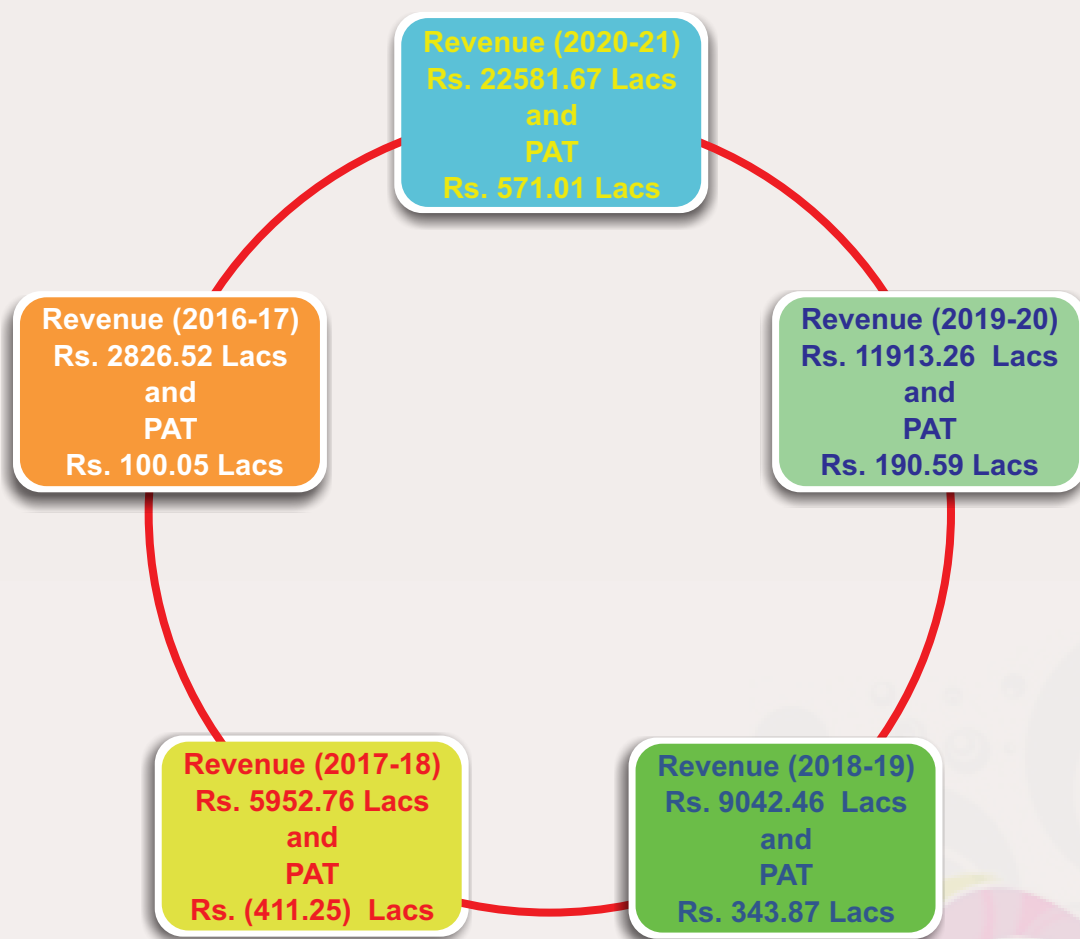
Kapoor Katra, Chandhasi, Chandhasi,
Mughalsarai, Chandauli,
Uttar Pradesh - 232101

KOLKATA

Ist Floor, 6B, Aloka House,
Bentinck Street,
Kolkata, West Bengal - 700001



**GROWTH IS NEVERBY MERE CHANCE;
IT IS THE RESULT OF FORCES WORKING TOGETHER**





MESSAGE FROM THE CHAIRMAN'S DESK

Excellence Driven By Passion

We believe that business success is derived not from one large heave of the giant flywheel, but from a number of small initiatives, constantly putting one's shoulder to the wheel, often shifting its direction as consumers and the business environment change. We may shift only inches each time, but a time comes when the flywheel begins to acquire an independent momentum.

Dear Stakeholders,

It is a measure of how quickly and profoundly our world has changed, that when we look back at the year gone by, it feels like a different era altogether.

Despite of all odd circumstances caused due to outbreak of Covid-19 Pandemic, the Company has registered tremendous growth in the FY 2021. Your Company delivered revenue from operation of Rs. 22581.67 Lacs, as against Rs. 11913.26 Lacs in the previous year indicating the increment of about 89.55 % over the last year. I am hopeful the Company will continue to strive the growth momentum and attain new highs in the year to come.

We had a very productive year, engaging with customers in their innovation, growth and transformation initiatives, expanding and deepening our relationships, deploying very impactful solutions, and winning some of our largest deals till date.

Regards

Gajraj Jain

Chairman Cum Managing Director

**KEY MANAGERIAL PERSONNEL**

: **Mr. Gajraj Jain, Chairman cum Managing Director**
Mr. Amar Singh, Chief Financial Officer
Ms. Komal, Company Secretary &
Compliance Officer (w.e.f 20th June, 2020)

BOARD OF DIRECTORS

: Mr. Jitendra Kumar Mishra, Independent Director
Mr. Tilak Raj Goyal, Additional Director
(Non-Executive Independent Director) w.e.f 25/06/2021
Mr. Prakash Goyal, Independent Director
(ceased as on 01/05/2021)
Mr. Nishant Goyal, Independent Director
(Upto 20th June, 2020)
Mrs. Hemlata Jain, Woman Director

REGISTERED OFFICE

: 14, Rani Jhansi Road, New Delhi-110 055

CORPORATE OFFICE

: 522, Fifth Floor, DLF Galleria Commercial Complex,
DLF City Phase IV, Gurugram, Haryana, 122009

WEBSITE

: www.cpil.com

STATUTORY AUDITOR

: M/s. Mittal Garg Gupta & Co. Chartered Accountants,
New Delhi (Firm Registration No. 01659IN)

| 36th ANNUAL GENERAL MEETING | |
|-----------------------------|---|
| Date | 21st September, 2021 |
| Day | Tuesday |
| Time | 12:00 P.M. |
| Place | Through Video Conferencing/Other Audio Visual Means |

INTERNAL AUDITOR

: B. Rattan and Associates, Chartered Accountant

SECRETARIAL AUDITOR

: KKS & Associates, Company Secretaries

REGISTRAR AND SHARE TRANSFER AGENT

: M/s. Alankit Assignments Limited
4E/2, Jhandewalan Extension, New Delhi – 110055

BANKERS

: State Bank of India, New Delhi

BRANCHES

: Bokaro, Chandasi, Gandhidham and Kolkata

NOTE: In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020 and 02/2021 dated 13th January, 2021 read with SEBI Circular dated 12th May 2020 and 15th January, 2021, the Notice of AGM along with Annual Report for the financial year 2020-21 is being sent only through electronic mode to those whose email addresses are registered with the company/depositories. Members may note that the Notice and Annual Report has been uploaded on the website of the Company at www.cpil.com. The Notice as well as the Annual Report 2020-21 can also be accessed from the websites of the Stock Exchange at www.bseindia.com.

No gifts or coupons would be given to the shareholders for attending the Annual General Meeting



COMPOSITION OF COMMITTEES OF THE COMPANY



AUDIT COMMITTEE

Mr. Jitendra Kumar Mishra – Chairman

Mr. Gajraj Jain – Member

Mr. Tilak Raj Goyal – Member

STAKEHOLDER RELATIONSHIP COMMITTEE

Mrs. Hemlata Jain – Chairman

Mr. Jitendra Kumar Mishra – Member

Mr. Gajraj Jain – Member

NOMINATION AND REMUNERATION COMMITTEE

Mr. Jitendra Kumar Mishra – Chairman

Mrs. Hemlata Jain – Member

Mr. Tilak Raj Goyal – Member

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE (W.E.F 25/06/2021)

Mr. Gajraj Jain – Chairman

Mrs. Hemlata Jain – Member

Mr. Jitendra Kumar Mishra – Member



Statutory Section



CHANDRA PRABHU INTERNATIONAL LIMITED

Reg. Off.: 14, Rani Jhansi Road, New Delhi-110055

Corporate Off.: 522, Fifth Floor, DLF Galleria Commercial Complex, DLF City Phase IV, Gurugram, Haryana, 122009

Phone: +91-124-44754936 | **Email:** info@cpil.com | **Website:** www.cpil.com

(CIN: L51909DL1984PLC019441)

NOTICE

Notice is hereby given that the **36th Annual General Meeting (AGM)** of the members of **CHANDRA PRABHU INTERNATIONAL LIMITED** will be held on **Tuesday, the 21st day of September, 2021 at 12.00 P.M. IST through Video Conferencing ("VC") or other Audio Visual Means ("OAVM")** to transact the following business:-

ORDINARY BUSINESSES

1. **To receive, consider and adopt the Standalone Audited Financial Statements of the Company for the financial year ended March 31, 2021, together with the Reports of the Board of Directors and the Auditors thereon and in this regard, pass the following resolution as an Ordinary Resolution:**

"RESOLVED THAT the Standalone audited financial statements including Balance Sheet of the Company as at March 31, 2021, the Statement of Profit and Loss and the Cash Flow Statement for the year ended on March 31, 2021 together with all the notes annexed and the Director's and Auditor's Reports thereon, placed before the meeting, be and are hereby considered and adopted."

2. **To declare the Final Dividend of Rs. 1/- per Equity Shares of Rs. 10/- each declared by the Board of Directors in their meeting held on June 25, 2021 for the Financial Year ended March 31, 2021 and in this regard, pass the following resolution as an Ordinary Resolution:**

"RESOLVED THAT the Company do declare and pay a final dividend of Rs. 1/- per equity share of face value of Rs. 10/- each on 3698000 equity shares fully paid-up for the financial year ended March 31, 2021 to those Members whose names will appear on the

Register of Members or who will be the beneficial owners of equity shares of the Company on September 14, 2021 be and is hereby noted and confirmed".

3. **To appoint a Director in place of Mrs. Hemlata Jain (DIN: 00049212), who retires by rotation and being eligible, has offered herself for re-appointment and in this regard, pass the following resolution as an Ordinary Resolution:**

"RESOLVED THAT pursuant to the provisions of Section 152 of the Companies Act, 2013, Mrs. Hemlata Jain (DIN: 00049212), who retires by rotation at this meeting, and being eligible, has offered herself for re-appointment, be and is hereby re-appointed as a Director of the Company".

SPECIAL BUSINESSES

4. **Appointment of Mr. Tilak Raj Goyal (DIN: 00403414) as an Independent Director of the company.**

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

"RESOLVED THAT pursuant to the provisions of sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 ("Act") and the companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) read with schedule IV to the act and in compliance with regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, Mr. Tilak Raj Goyal (DIN:-00403414), who was appointed as an additional director on the recommendation of Nomination and Remuneration Committee, (in the category of Non-Executive Independent Director) w.e.f. 25 June, 2021,



pursuant to the provisions of section 149, 161(1) of the act, and who holds office up to the date of this Annual General Meeting and has submitted a declaration that he meets the criteria for dependence as provided under Section 149(6) of the Act and Regulation 16(1)(b) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 be and is hereby appointed as an independent Non-Executive director of the company to hold office for 5 (five) consecutive years w.e.f. June 25, 2021 to June 24, 2026 and whose office shall not be liable to retire by rotation.

RESOLVED FURTHER THAT the board of directors and/or company secretary of the company be and are hereby authorized to do all such acts, deeds and things as may be considered necessary, proper or expedient, desirable to give effect to the above resolution.”

5. Appointment of Branch Auditors of the Company

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

“RESOLVED THAT pursuant to the provision of section 143(8), Rules made there under and other applicable provisions if any of the Companies Act, 2013 (Act.) as amended from time to time, the Board of Directors be and is hereby authorized to appoint branch auditors of the any branch office of the company, whether existing or which may be opened/acquired hereafter, in consultation with the Company's auditors, any person(s) qualified to act as branch auditor within the provision of section 143(8) of the Act and to fixed their remuneration.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board of Directors of the Company be and is hereby authorized to finalize, settle an execute such documents/deeds/writings/papers and agreements as may be required and to take all necessary steps and actions in this regard in order to comply with all the

legal and actions in this regard in order to comply with all the legal and procedural formalities and further to authorize any of its committee(s)/director(s) or any officer(s) of the Company to do all such acts, deeds or things as it may in its absolute discretion deem necessary proper and fit.”

By order of the Board
Chandra Prabhu International Limited

Gajraj Jain
Chairman Cum Managing Director
DIN: 00049199

Date : July 30, 2021,

Place : Gurugram

Corporate Identification Number (CIN):
L51909DL1984PLC019441

Registered Office:
14, Rani Jhansi Road, New Delhi-110055

Corporate Off: 522, Fifth Floor, DLF Galleria Commercial Complex, DLF City Phase IV, Gurugram, Haryana, 122009

Phone: +91-124-44754936 **Email:** info@cpil.com
Website: www.cpil.com

**Notes:**

- (i) The relevant Explanatory Statement and reasons in respect of proposed Special Business (es) pursuant to Section 102 of the Companies Act, 2013 are annexed hereto. The relevant details pursuant to Regulation 26(4) and 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulation 2015 ("SEBI Listing Regulation") and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, in respect of directors seeking appointment/reappointment at this Annual General Meeting are also annexed herewith.
- (ii) As you are aware, in view of the massive outbreak of the COVID-19 pandemic, social distancing is a norm to be followed, the Ministry of Corporate Affairs ("MCA") and Securities and Exchange Board of India ("SEBI") have permitted conducting the Annual General Meeting through video conferencing ("VC") or other audio-visual means ("OAVM"). In this regard, the regulatory authorities have issued various Circulars prescribing the procedure and manner of conducting the Annual General Meeting through VC/OAVM vide Circular No. 20/2020 dated May 05, 2020 read with Circular No. 14/2020 dated April 8, 2020, Circular No. 17/2020 dated April 13, 2020, Circular No. 02/2021 dated 13th January, 2021 ("MCA Circulars") and Securities Exchange Board of India (SEBI) Circular dated 12th May, 2020 and Circular No. SEBI/HO/CFD/CMD2/CIR/P/ 2021/11 dated 15th January, 2021 ("SEBI Circulars"). In Compliance with MCA and SEBI Circulars, the forthcoming 36th AGM will thus be held through video conferencing (VC) or other audio visual means (OAVM) from a common venue. Hence, Members can attend and participate in the ensuing AGM and also vote through VC/OAVM without physical presence of the Members at a common venue.
- (iii) In compliance with applicable provisions of the Companies Act, 2013 ("the Act") read with the MCA Circulars and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the 36th Annual General Meeting of the Company is being conducted through Video Conferencing ("VC") (hereinafter referred to as "AGM"). In accordance with the Secretarial Standard -2 on General Meeting issued by the Institute of Company Secretaries of India (ICSI) read with Guidance/Clarification dated April, 15, 2020 issued by ICSI, the proceedings of the AGM shall be deemed to be conducted at the Registered Office of the Company which shall be the deemed Venue of the AGM.
- (iv) Pursuant to the Circular No. 14/2020 dated April 08, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, the Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and participate there at and cast their votes through e-voting.
- (v) A member entitled to vote at the AGM is entitled to appoint proxy to attend and vote on his/her behalf and proxy need not be a member. In terms of MCA Circulars, since physical attendance of Members has been dispensed with, there is no requirement of appointment of proxies. Accordingly, facility of appointment of proxies by Members under Section 105 of the Act, will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to the Notice.
- (vi) 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 for 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.



- (vi) The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
- (viii) In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020 and SEBI Circular dated 12th May 2020 & 15th January, 2021, the Notice of 36th AGM along with Annual Report for the financial year 2020-21 is being sent only through electronic mode to those whose email addresses are registered with the company/depositories. Members may note that the Notice and Annual Report has been uploaded on the website of the Company at www.cpil.com. The Notice as well as the Annual Report 2020-21 can also be accessed from the websites of the Stock Exchange i.e. BSE Limited at www.bseindia.com. The AGM Notice is also disseminated on the website of NSDL (agency for providing the Remote e-Voting facility and e-voting system during the AGM) i.e. www.evoting.nsdl.com.
- (ix) Further, those members who have not registered their email addresses and in consequence could not be served the Annual Report for F.Y.2020-21 and Notice of 36th AGM, may temporarily get themselves registered with Company's Registrar and Transfer Agent, Alankit Assignment Ltd. 4E/2, Jhandewalan Extension, New Delhi- 110055 for receiving the same.
- (x) Members desirous of obtaining any information on the Annual Report and operations of the Company are requested to write to the Company at least ten days before the Meeting, so that the information required will be made available at the Annual General Meeting.
- (xi) All the documents referred to in the accompanying Notice of AGM and the Explanatory Statement and the Register of Directors and Key Managerial Personnel and their shareholding, maintained under section 170 of the Companies Act, 2013 will be available electronically for inspection by the members during the AGM upon log-in to NSDL e-voting system at www.evoting.nsdl.com.
- (xii) Pursuant to the provisions of Section 91 of the Act, the Register of Members and Share Transfer Books of the Company will remain closed from Wednesday, September 15, 2021 to Tuesday, September 21, 2021 (both days inclusive) for the purpose of Annual General Meeting & payment of Final Dividend.
- (xiii) Members holding shares in physical form are requested to immediately notify change in their address, if any, to the Registrar and Transfer Agent of the Company, i.e. Alankit Assignment Ltd. 4E/2, Jhandewalan Extension, New Delhi- 110055, quoting their Folio Number(s).
- (xiv) Pursuant to the requirements of Corporate Governance under Regulation 27 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 entered into with the Stock Exchange(s), the brief resumes of all the Directors proposed to be re-appointed, nature of their expertise in specific functional areas, names of companies in which they hold directorships and memberships/chairmanships of Board/Committees, shareholding and relationships between Directors inter-se, are provided in the Corporate governance report in the Board's Report forming part of the Annual Report.
- (xv) Members may also note that the Notice of the 36th Annual General Meeting and the Annual Report for the FY. 2020-2021 will also be available on the Company's website www.cpil.com, website of Bombay Stock Exchange at www.bseindia.com and on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. www.evoting.nsdl.com for their download. For any communication, the shareholders may also send requests to the Company's designated email id: info@cpil.com, cs@cpil.com.
- (xvi) Pursuant to the provisions of Section 124(5) of the Companies Act 2013, dividend for the Financial year ended March 31, 2014, which shall be remained unclaimed or unpaid for a period of 7 (seven) years will be transferred to the Investor Education and Protection Fund (IEPF) established under section 125 of the Companies act, 2013. Member(s) who have not encash their dividend warrants so far for the financial



year ended March 31, 2014 or any subsequent financial year are requested to make their claims to the office of the Registrar and Share Transfer Agents, Alankit Assignment Ltd, 4E/2, Jhandewalan Extension, New Delhi-110055. The dividend for the financial year ended March 31, 2014 will be transferred to the aforesaid account on or before November 28, 2021.

(xvii) Members wishing to claim dividends, which remain unclaimed, are requested to correspond with Alankit Assignment Ltd., Registrar & Share Transfer Agent. Members are requested to note that dividends not claimed within seven years from the date of transfer to the company's Unpaid Dividend Account, will as per Section 124 of the Companies Act, 2013 shall be transferred to the Investor Education Protection Fund.

(xviii) The Board of Directors in their meeting held on June 25, 2021 have recommended Rs. 1.00/- per equity share of Face Value of Rs.10/- each as the Final dividend for financial year ended on 31 March, 2021 and the resolution regarding the declaration/payment of final payment for the approval of the members is given in the notice.

(xix) The final dividend, once approved by the Members, will be paid electronically through various online transfer modes to those Members who have updated their bank account details. For Members who have not updated their bank account details, dividend warrants / cheques will be sent out to their registered addresses. To avoid delay in receiving dividend, Members are requested to update their KYC with their depositories (where shares are held in demat mode) and with the RTA (where shares are held in physical mode) to receive dividend directly into their bank account.

(xx) The payment of final equity dividend, if approved by the Members at the 36th Annual General Meeting subject to deduction of tax at source will be made on or before Wednesday, October 20, 2021 as under :

- a) to all those beneficial owners holding shares in electronic form as per the beneficial ownership data as may be made available to the Company by the National Securities Depository Ltd (NSDL)

and the Central Depository Services (India) Ltd (CDSL) as of the end of business hours on Tuesday, September 14, 2021 and

- b) To all those Members holding shares in physical form after giving effect to all valid share transmission and transposition requests lodged with the Company as of the end of business hours on Tuesday, September 14, 2021.

(xxi) To support the 'Green Initiative', the Members who have not registered their e-mail addresses are requested to the register the same with their Depository Participant(s) (DP) in case the shares are held by them in electronic form and with Alankit Assignment Ltd., Registrar & Share Transfer Agent in case the shares are held by them in physical form for receiving all communication including Annual Report, Notices, Financial Results etc. from the Company electronically.

(xxii) 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. Further, SEBI vide its circular no. SEBI/HO/MIRSD/RTAMB/CIR/P/2020/236 dated December 2, 2020 had fixed March 31, 2021 as the cut-off date for re-lodgement of transfer deeds and the shares that are re-lodged for transfer shall be issued only in demat mode.

In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings dematerialized form. Members can contact the Company or company's Registrar & Transfer Agent (RTA) i.e. Alankit Assignment Ltd for assistance in this regard.

(xxiii) In case of loss/misplacement of share certificates, Members should immediately lodge a complaint/ FIR with the police and inform the Company's Registrar and Transfer Agent, for the procedure of obtaining the duplicate share certificates.



(xxiv) As per the provisions of Section 72 of the Act and Rule 19(1) of the Companies (Share Capital and Debentures) Rules, 2014, as amended, Members holding shares in physical form may file nomination in the prescribed Form SH-13 with Company's Registrar and Transfer Agent i.e M/s Alankit Assignments Limited. In respect of shares held in dematerialized form, the nomination form may be filed with the respective Depository Participant.

(xxv) Non-Resident shareholders: Non-Resident shareholders are requested to immediately notify the following to the Company in respect of shares held in Physical form and to their DPs in respect of shares held in Dematerialized form:

- Indian address for sending all communications, if not provided so far;
- Change in their residential status on return to India for permanent settlement;
- Particulars of the Bank Account maintained with a bank in India, if not furnished earlier; and
- RBI Permission number with date to facilitate prompt credit of dividend in their Bank Accounts.

(xxvi) Members holding shares in physical form, are requested to convert their physical shareholding in to dematerialized shareholding. Please note that transfer of shares in physical form is not permissible as per SEBI guidelines. In this regard, the Members/legal heirs of deceased members are also requested to open demat account simultaneously for dematerializing the shares to their demat account(s) after transmission of shares in their name by the Registrar and Transfer Agent of the Company.

(xxvii) The Securities and Exchange Board of India has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form who have not done so are requested to submit the PAN to their Depository Participant with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to Registrar and Transfer Agent.

(xxviii) As per the provisions of the Companies Act, 2013, the Company has received declarations from all the Independent Directors stating that they meet with the criteria of Independence as prescribed under sub-section (6) of Section 149 of the Companies Act, 2013.

Further, Mr. Nishant Goyal resigned from the post of Directorship dated June 20, 2020 and Mr. Prakash Goyal Independent Director of the Company ceased from the directorship due to death dated May 01, 2021.

Mr. Tilak Raj Goyal was appointed as Additional Director (Non Executive Independent) dated June 25, 2021.

Hence, Mr. Jitendra Kumar Mishra and Mr. Tilak Raj Goyal, Independent director of the company are not liable to retire by rotation.

Pursuant to the provisions of Section 152 of the Companies Act, 2013 ("the Act") and rules made there under and as per the Article of Association of the Company Mrs. Hemlata Jain (DIN: 00049212), retires by rotation and being eligible, offers herself for re-appointment.

Brief resume pursuant to the Listing Obligations & Disclosure Requirement, the directors proposed to be appointed/re-appointed at the annual general meeting/nature of their expertise; specific functional areas and name of companies in which they hold directorship are given in the explanatory statement.

(xxix) In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the 36th AGM.

(xxx) Since the AGM will be held through VC/OAVM, the route map is not annexed with the notice.

(xxxi) The Equity shares of the Company are mandated for trading in the compulsory demat mode.

The ISIN No. allotted for the Company's shares is **INE368D01017**.



INSTRUCTIONS REGARDING TAX DEDUCTED AT SOURCE (TDS)

As per the Income-tax Act, 1961 ('the Act'), as amended by the Finance Act, 2020, dividends declared or distributed or paid by a Company on or after April 1, 2020 shall be taxable in the hands of the Members and the Company shall be required to deduct tax at source ("TDS") at the prescribed rates from the dividend to be paid to members at the time of distribution or payment of dividend. The tax so deducted will be paid to the credit of the Central Government.

The TDS rate would vary depending on the residential status of the Members and the documents submitted by them and accepted by the Company in accordance with the applicable provisions of the Act. Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone/mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC, etc., to their Depository Participants in case the shares are held by them in electronic form and to RTA in case the shares are held by them in physical form.

A separate email will be sent at the registered email id of the members describing about the detailed process to submit the documents/declarations along with the formats in respect of deduction of tax at source of the final equity dividend payout. The intimation will also be uploaded on the website of the Company.

A Resident individual shareholder with PAN and who is not liable to pay income tax can submit a yearly declaration in Form No. 15G / 15H, to avail the benefit of non-deduction of tax at source by email to cs@cpil.com. or rta@alankit.com. Shareholders are requested to note that in case their PAN is not registered, the tax will be deducted at a higher rate of 20%.

Non resident shareholders can avail beneficial rates under tax treaty between India and their country of tax residence, subject to providing necessary documents i.e. No Permanent Establishment and Beneficial Ownership Declaration, Tax Residency Certificate, Form 10F, any other document which may be required to avail the tax treaty benefits at or with depository participants.

Voting through electronic means:

In compliance with the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time, Regulation 44 of the SEBI Listing Regulations, and in terms of Circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 issued by SEBI and the Circulars issued by the Ministry of Corporate Affairs 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 National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-voting system as well as electronic voting on the date of the AGM will be provided by NSDL. The details of the process and manner for remote e-voting for individuals, non- individuals and members holding in physical form are explained herein below:

- The Notice of the Annual General Meeting (AGM) of the Company inter alia indicating the process and manner of e-Voting process. **The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:**

THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER:-

The remote e-voting period begins on **Saturday, 18th September, 2021 at 9:00 A.M.** and ends on **Monday, 20th September, 2021 at 5:00 P.M.** The remote e-voting module shall be disabled by **NSDL** for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. **14th September, 2021**, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being **14th September, 2021**.



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

Step 1: Access to NSDL e-Voting system

A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

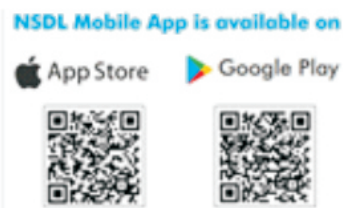
Login method for Individual shareholders holding securities in demat mode is given below:

| Type of shareholders | Login Method |
|--|---|
| Individual Shareholders holding securities in demat mode with NSDL | <p>1. Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the “Beneficial Owner” icon under “Login” which is available under 'IDeAS' section this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added 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 i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p> |

2. If you are 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 hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or **e-Voting service provider i.e. NSDL** and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

4. Shareholders/Members can also download NSDL Mobile App “**NSDL Speede**” facility by scanning the QR code mentioned below for seamless voting experience.





| | |
|--|---|
| Individual Shareholders holding securities in demat mode with CDSL | <p>1. Existing users who have opted for Easi / Easiest, they can login through their 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 www.cdslindia.com and click on New System Myeasi.</p> <p>2. After successful login of Easi/ Easiest the user will be also able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL. Click on NSDL to cast your vote.</p> <p>3. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration</p> <p>4. Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in www.cdslindia.com home page. 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 provided links for the respective ESP i.e. NSDL where the e-Voting is in progress.</p> |
| Individual Shareholders (holding securities in demat mode) login through their depository participants | You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. 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 i.e. NSDL and you will be redirected to e-Voting website of NSDL 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. NSDL and CDSL.

| Login Type | Helpdesk details |
|--|---|
| 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 |
| 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 022- 23058738 or 022-23058542-43 |

B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

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

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.

2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.



3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

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

4. Your User ID details are given below :

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

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

- If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.

- If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.

c) How to retrieve your 'initial password'?

- If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
- If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**

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

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



7. After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.
8. Now, you will have to click on “Login” button.
9. After you click on the “Login” button, Home page of e-Voting will open.

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

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

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

General guidelines for Shareholders :

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution / Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are

authorized to vote, to the Scrutinizer through e-mail to kksandassociates@gmail.com with a copy marked to evoting@nsdl.co.in.

2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “Forgot user Details/ password?” or “Physical user Reset Password?” option available on <https://www.evoting.nsdl.com> to reset the password.

3. In case of any queries, you may refer to the Frequently Asked Questions (FAQs) for shareholders and e-voting user manual for shareholders available at the Downloads sections of <https://www.evoting.nsdl.com> or contact NSDL at the following toll free no.: 1800-1020-990 & 1800-224 430 or send a request at e-voting@nsdl.co.in

THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING BEFORE AND DURING THE AGM ARE AS UNDER:-

- The Board of Directors has appointed Krishna Kumar Singh (Membership No. FCS 8493) proprietor of KKS & Associates, Practicing Company Secretaries as the Scrutinizer to scrutinize the voting at the AGM and remote e-voting process in a fair and transparent manner.
- The facility for voting through electronic voting system shall also be made available at the AGM and the members attending the AGM, who have not already cast their vote by remote e-voting, may exercise their right to vote through e-voting system at the AGM.
- The Members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM through Video Conferencing but shall not be entitled to cast their vote again.
- A member can vote either by remote e-voting or at the AGM through electronic mode. In case a member votes by both the modes then the votes cast through remote e-voting shall prevail and votes cast at the AGM shall be considered invalid.



INDIVIDUAL SHAREHOLDERS HOLDING SECURITIES IN DEMAT MODE WITH NSDL/ CDSL HAVE FORGOTTEN THE PASSWORD:

- Shareholders/ members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned depository/ depository participants website.
- It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- For shareholders/ members holding shares in physical form, the details can be used only for voting on the resolutions contained in this Notice.
- During the voting period, shareholders/ members can login any number of time till they have voted on the resolution(s) for a particular “Event”.

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL ADDRESSES ARE NOT REGISTERED WITH THE DEPOSITORIES FOR OBTAINING LOGIN CREDENTIALS AND REGISTRATION OF EMAIL ADDRESSES FOR E-VOTING FOR THE RESOLUTIONS PROPOSED IN THIS NOTICE:

1. **In case shares are held in physical mode** - 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's RTA 's respective email id: rta@alankit.com
2. **In case shares are held in demat mode**, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to our RTA M/s Alankit Assignments Limited at rta@alankit.com/ can also contact to their depository participant. If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A) i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.**

3. Alternatively shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.

4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

5. The company/RTA shall co-ordinate with NSDL and provide the login credentials to the above mentioned shareholders.

6. For Permanent registration of their e-mail address, Members holding shares in demat form are requested to update the same with their Depository Participant (“DPs”) and to Registrar in case the Members are holding shares in physical Form.

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

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for Remote e-voting.
2. Only those shareholders/members, 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.
3. 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 shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.
4. Shareholders/Members who have voted through Remote E-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.



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

INSTRUCTIONS FOR MEMBERS ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of “VC/OAVM link” placed under “**Join General meeting**” menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.

2. Shareholders/Members are encouraged to join the Meeting through Laptops / IPads for better experience.

3. Further shareholders/Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.

4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

5. Shareholders who would like to express their views/have questions may send their questions atleast 10 days in advance prior to meeting mentioning their name demat account number/folio number, email id, mobile number at cs@cpil.com. The same will be replied by the company suitably. Those Members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the AGM.

6. The Company reserves the right to restrict the number of questions and number of speakers, as appropriate for smooth conduct of the AGM.

7. Facility of joining the AGM through VC / OAVM shall open 15 minutes before the time scheduled for the AGM and will be available for Members on first come first served basis.

8. Members who need assistance before or during the AGM, can contact NSDL on evoting@nsdl.co.in / 1800-222-990.

INSTRUCTIONS FOR SHAREHOLDERS/ MEMBERS TO SPEAK DURING THE AGM THROUGH VC/OAVM:

1. Shareholders who would like to speak during the meeting must register their request 10 days in advance with the Company on cs@cpil.com.

2. Shareholders will get confirmation on first cum first basis depending upon the provision made by the Company.

3. Shareholders will receive “speaking serial number” once they mark attendance for the meeting.

4. Other shareholder may ask questions to the panelist, via active chat-board during the meeting.

5. Please remember speaking serial number and start your conversation with panelist by switching on video mode and audio of your device.

6. Shareholders are requested to speak only when moderator of the meeting/ management will announce the name and serial number for speaking.

Other Instructions:

I. The remote e-voting period commences on Saturday September 18, 2021 (9:00 am) IST and ends on Monday September 20, 2021 (5:00 pm) 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 Tuesday, September 14, 2021, may cast their vote electronically. The e-voting module shall also be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.



(ii) The voting rights of Shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on Tuesday, September 14, 2021, Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. Tuesday, September 14, 2021 may obtain the login ID and password by sending a request at evoting@nsdl.co.in.

(iii) Since the Company is required to provide members facility to exercise their right to vote by electronic means, shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of September 14, 2021, and not casting their vote electronically, may only cast their vote through e-voting system during the AGM i.e. www.evoting.nsdl.com.

(iv) Investors who become members of the Company subsequent to the dispatch of the Notice / Email and holds the shares as on the voting eligibility cut-off date i.e. September 14, 2021 are requested to send the written / email communication to the Company's RTA at rtat@alankit.com or NSDL at e-voting@nsdl.co.in by mentioning their Folio No. / DPID and Client ID to obtain the Login-ID and Password for e-voting. The Management/RTA will do their best to accommodate and execute such requests so that the Shareholder can participate in the e-voting which commences on Saturday 18th September, 2021 (IST) and ends on Monday, 20th September, 2021 (IST).

(v) The remote e-voting module on the day of the AGM shall be disabled by the NSDL for voting 15 minutes after the conclusion of the Meeting.

(vi) The Scrutinizer shall within a period of not exceeding three(3) working days from the conclusion of the e-Voting period unlock the votes in the presence of atleast two (2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.

(vii) The Results declared along with the Scrutinizer's Report shall be placed on the Company's website www.cpil.com and on the website of NSDL and

communicated to the BSE Limited where the shares of the Company are listed.

By order of the Board of Directors of
CHANDRA PRABHU INTERNATIONAL LIMITED

Gajraj Jain
Chairman Cum Managing Director
DIN: 00049199

Date : July 30, 2021
Place : Gurugram



EXPLANATORY STATEMENT

(Pursuant to Section 102 (1) of the Companies Act, 2013)

As required by section 102 of the Companies Act, 2013 (Act), the following explanatory statement sets out all material facts relating to the business mentioned under Item Nos. 4 & 5 of the accompanying Notice:

Item No 4

Pursuant to the provisions of 149 of the Companies Act and in due Compliance with regulation 17 of SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015, the composition of the Board of the Directors of the company should have at least two Independent Directors (Non Executive) and the Company needs to appoint one more Independent Director on the Board post cessation of Mr. Prakash Goyal Independent director due to death.

Mr. Tilak Raj Goyal aged about 58 years is a Practicing Chartered Accountant & Insolvency professional (IBBI) and has more than 35 years of experience in the field of Strategic Financial Planning, Audit and Taxation, Fund Sourcing & Budgetary Control etc.

In the opinion of the Board, Mr. Tilak Raj Goyal fulfills the conditions specified in Sections 149, 152 and Schedule IV of the Companies Act, 2013, Rules made thereunder and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and is independent of the management of the Company.

On the recommendations of the Nomination & Remuneration Committee, the Board of Directors of the Company at their meeting held on 25th June, 2021 appointed Mr. Tilak Raj Goyal (DIN: 00403414) as an Additional Director (Non-Executive Independent) for the period of 5 years w.e.f 25th June, 2021 subject to approval of members, in terms of provisions of Section 149, 161(1) of the Companies Act, 2013, read with the Articles of Association (AOA) of the Company. However, according to Section 161(1) of the Companies Act, 2013 Mr. Tilak Raj Goyal holds office only upto the date of forthcoming Annual General Meeting of the Company but is eligible for appointment as a Director of the Company.

The Company has received from Mr. Tilak Raj Goyal (i) Consent in writing to act as Director in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment and Qualifications of Directors) Rules, 2014 (ii) Intimation in Form DIR-8 in terms of the Companies (Appointment and Qualifications of Directors) Rules, 2014, to the effect that he is not disqualified under Section 164(2) of the Act (iii) Declaration to the effect that he meets the criteria of independence as provided in Section 149(6) of the Act read with Regulation 16 and Regulation 25(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended ('Listing Regulations') and (iv) Declaration that he has not been debarred from holding office of a Director by virtue of any Order passed by Securities and Exchange Board of India or any other such authority. The Board of Directors state that the appointment of Mr. Tilak Raj Goyal would be in the interest of the Company and its Shareholders.

The board recommended for the approval of the Members by way of Ordinary resolution, the appointment of Mr. Tilak Raj Goyal as an Independent Director of the Company, not liable to retire by rotation; in terms of Sections 149, 152 and other applicable provisions of the Companies Act, 2013, the Companies (Appointment and Qualification of Directors) Rules, 2014 read with Schedule IV of the Companies Act, 2013, the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended (including any statutory modification(s) or re enactments(s) thereof for the time being in force), for a term of 5(five) consecutive years from 25th June, 2021 upto 24th June, 2026.



Copy of draft letter of appointment of Independent Director setting out the terms and conditions of appointment will be available for inspection by the members during the AGM upon log-in to NSDL e-voting system at www.evoting.nsdl.com.

The board recommends the resolution at **item no.4** for approval by members as an **ordinary resolution**.

None of the Directors, key managerial personnel and/or their relative, except Mr. Tilak Raj Goyal is concerned or interested in the Resolution at the **item no. 4** of accompanying notice.

Item No 5

The Company has branches at Bokaro, Chandasi, Kolkata & Gandhidham and may also open/acquired new branches in future. As per the provisions of the section 143(8) of the Companies Act, 2013 it is necessary that the accounts of branches shall be audited either by accountant appointed under this act or by any other person qualified as an auditor of the Company under this Act. The members are requested to authorize the board of directors to appoint branch auditors.

The board recommends the resolution at **item no.5** for approval by members as an **ordinary resolution**.

None of the Directors or Key Managerial Personnel (KMP) or relatives of the Directors and KMP is concerned or interested in the resolution at the **item no. 5** of accompanying notice.

By order of the Board of Directors

Gajraj Jain
Chairman Cum Managing Director
DIN: 00049199

Date : July 30, 2021

Place : Gurugram

Corporate Identification Number
(CIN) : **L51909DL1984PLC019441**

Registered Office: 14, Rani Jhansi Road, New Delhi-110055

Corporate Office: 522, Fifth Floor, DLF Galleria

Commercial Complex, DLF City Phase IV,

Gurugram, Haryana-122009

Phone : +91-124-44754936

Email : info@cpil.com; Website. www.cpil.com



Pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the brief profile of Directors eligible for appointment/re-appointment vide item no. 03 & 04 is as follows:

Detail of Directors seeking Appointment/re-appointment at the Annual General Meeting

| Particulars | Mrs. Hemlata Jain | Mr. Tilak Raj Goyal |
|--|---|--|
| Date of Birth | 05/06/1955 | 17/09/1962 |
| DIN | 00049212 | 00403414 |
| Date of Appointment/reappointment | 16/09/2017 | 25/06/2021 |
| Nationality | Indian | Indian |
| Qualification | Commerce Graduate | Chartered Accountant & Insolvency professional |
| Expertise in specific functional areas | Experience in General Management & Administration | Experience in the field of Strategic Financial Planning, Audit and Taxation, Fund Sourcing & Budgetary Control etc |
| Directorship held in other Companies (excluding Foreign Company) | N.A. | ESCV Consulting Services Private Limited |
| Membership/Chairmanships of committees of other companies (includes only Audit Committee and Shareholders/ Investor Grievance Committee) | NIL | NIL |
| Number of shares held in the Company | 1278111 Equity Shares (34.56%) | - |
| Inter-se Relationship between Directors | Mrs. Hemlata Jain is the wife of Mr. Gajraj Jain (Chairman Cum Managing Director) | None |



BOARD'S REPORT

Dear
Members,
Your directors have pleasure
in presenting the 36th Annual
Report on the affairs of the
company together with the Audited
Financial Statements for the
Financial Year ended 31st
March, 2021.





BOARD'S REPORT

**To the Members of
Chandra Prabhu International Ltd.**

Your Directors are pleased to have this opportunity to report on Company's progress during the year financial year 2020-21 and to submit the 36th Annual Report & Audited Financial Statements (Standalone) comprised of Balance Sheet as on 31st March, 2021 and Profit & Loss Account for the period ended on 31st March, 2021.

FINANCIAL RESULTS

Amount in Lacs

| Particulars | Standalone | |
|--|---------------|---------------|
| | 2020-21 | 2019-20 |
| Turnover/ Income from operations | 22581.67 | 11913.26 |
| Other Income | 20.86 | 3.26 |
| Profit/(Loss) before tax, finance cost & depreciation | 908.25 | 357.37 |
| Finance Cost | 68.50 | 77.21 |
| Depreciation | 7.25 | 9.59 |
| Exceptional items (income) | 0.00 | (10.00) |
| Profit/(Loss) before tax | 832.50 | 260.57 |
| Current Tax | 234.85 | 45.88 |
| Tax Adjustments for earlier years | (0.06) | 0.22 |
| Deferred Tax | 26.70 | 23.88 |
| MAT Credit Entitlement | - | - |
| Other Adjustments | - | - |
| Profit/(Loss) After Tax | 571.01 | 190.59 |
| Add/(Less):Other Comprehensive Income (net of taxes) | 0.97 | 0.35 |
| Total Comprehensive Income/ (Expenses) for the year | 571.98 | 190.94 |

DIVIDEND

Keeping in view the overall financial position of the Company, the Board has recommended as Final Dividend of Rs. 1.00 per equity share (10% of the Face Value of Rs. 10/- each) for the financial year ending on March 31, 2021 subject to approval of the shareholder in the ensuing Annual General Meeting. Dividend on equity shares, if approved by the members would involve a cash outflow of Rs. 36.98 Lacs.

TRANSFER TO RESERVE

The closing balance of the retained earnings of the Company for FY 2020-21, after all appropriation and adjustments was **Rs. 15,13,45,829 (Rupees Fifteen Crore Thirteen Lacs Forty Five Thousands Eight Hundred Twenty Nine Only).**



During the year, under review the performance of the Company has registered tremendous growth and the turnover / revenue from operation during the year was **Rs. 22581.67 lakhs** as against **Rs. 11913.26 lakhs** in the previous year indicating a increment of about 89.55 % over the last year. The year under review resulted in Profit after Tax (PAT) attributable to shareholders of **Rs. 571.01 lakhs** which was mainly due to increased turnover/sales of coal as compared to Profit of **Rs. 190.59 lakhs** during the

HUMAN RESOURCE DEVELOPMENT

[illegible]

improve employees productivity at all levels and is committed to the welfare of the employees and their families by putting review and reward system in place.

Chandra Prabhu International Ltd. is a well known name engaged mainly, in the business of trading of Coal, Synthetic Rubber and Agro Foods from last many years. Over the years Chandra Prabhu International Ltd. has built a formidable reputation of being a completely professionally managed Company where customer satisfaction is of paramount consideration.

The Covid-19 pandemic is redefining global health crisis of recent times and is spreading rapidly across the globe.

The bigger challenge is that it is not a mere health crisis and is having an unprecedented impact on Indian and global business environment. The Company has taken all necessary measures in terms of mitigating impact of the challenges being faced in the business due to the Covid-19 pandemic. The Company has also provided the facility to the employees of functioning of operations the Corporate Office to Work from Home under the 'work from home policy' as per the guidelines of the Government. Subsequently, the Corporate office of the Company has resumed functioning with lower strength of staff by complying all the norms related to social distancing, wearing of face Mask, proper sanitization and hygiene.



COVID-19 is an unprecedented challenge. The lockdown gave India time to make a concerted effort to flatten the outbreak curve towards the end of the first quarter, after which the demand picked up due to opening of the economic activities across the nation. During this difficult year, the Company ensured sufficient liquidity on hand, unused bank lines to meet its liabilities as and when they fall due.

India is currently experiencing a massive second wave of Covid-19 infections with partial lockdowns and restrictions compared to the first wave. Hence, we expect no major changes in the economic activities. At all times, physical health and emotional wellbeing of our employees and business partners remain of foremost importance to the Company and all efforts have been taken to mitigate impact in our operations. In responding to this crisis, our primary objective has been to ensure the safety of our employees, to deliver our contractual and customer commitments, and put in place mechanisms to protect the financial wellbeing of the Company.

Your company has considered possible effects that has been impacted due to COVID-19 in the preparation of Audited Annual Accounts for 2020-21. Revenue and trading affected due to lockdown declared by appropriate Government (s) but with gradual lifting of lockdown in phased manner Revenue and trading picked up gradually as a result overall performance improved.

MATERIAL CHANGES AND COMMITMENTS, IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY

Except as disclosed elsewhere in this Annual Report, there have been no material changes and commitments which can affect the financial position of the Company between the closing of the financial year of the Company i.e. 31st March, 2021 till the date of this report.

As required under Section 134(3) of the Act, the Board of Directors informs the members that during the financial year, there have been no material changes, except as disclosed elsewhere in the Annual Report.

CHANGE IN THE NATURE OF THE BUSINESS

During the period under review, there is no change in the nature of the business of the Company.

SUBSIDIARY AND ASSOCIATES COMPANIES

There is no subsidiary, associate or joint venture of the Company.

Therefore, Pursuant to provisions of section 129(3), details regarding subsidiaries/associates in the prescribed Form **AOC-1** are not required to be attached.

DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to Section 134(5) of the Companies Act, 2013, the board of directors, to the best of their knowledge and ability, confirm that:

- i) in the preparation of the annual accounts, the applicable Indian accounting standards had been followed along with proper explanation relating to material departures;
- ii) they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;



- iii) they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- iv) they have prepared the annual accounts on a going concern basis;
- v) they have laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and operating effectively;
- vi) they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, work performed by the internal, statutory and secretarial auditors and external consultants and the reviews performed by management and the relevant board committees, including the audit committee, the board is of the opinion that the Company's internal financial controls were adequate and effective during the financial year 2020-21.

DIRECTORS & KEY MANAGERIAL PERSONNEL

In accordance with the provisions of Section 149 and 152 of the Companies Act, 2013 and Rules made there under as amended from time to time and Regulation 17 of the SEBI (LODR) Regulations 2015, the board of directors shall have an optimum combination of executive and non-executive directors with at least one woman director. The Company has Mr. Prakash Goyal, Mr. Nishant Goyal and Mr. Jitendra Kumar Mishra as independent director along with Mrs. Hemlata Jain as Woman Director of the company.

During the Financial year 2020-21, Mr. Nishant Goyal resigned from the post of Independent Director of the company w.e.f 20th June, 2020.

Further, Mr. Prakash Goyal Independent Director of the Company ceased from the directorship due to demise on May 01, 2021 and the Board of Directors of the Company had appointed Mr. Tilak Raj Goyal as Additional Director (Non-Executive Independent) of the Company dated June 25, 2021 whose appointment is being recommended by way of Notice of AGM.

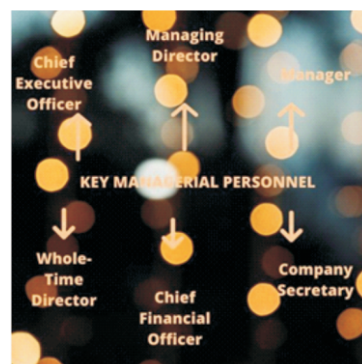
Mrs. Hemlata Jain (DIN: 00049212), Director of the company retires by rotation at the forthcoming Annual General Meeting in accordance with the provisions of the Companies Act, 2013 and being eligible, offer herself for the re-appointment.

The Company has received declarations from all the Directors confirming that they are not disqualified/ debarred from being appointed/ reappointed as Director.

KEY MANAGERIAL PERSONAL (KMP)

Mr. Gajraj Jain, Chairman Cum Managing Director, Mr. Amar Singh Chief Financial Officer, Ms. Komal, Company Secretary and Compliance Officer are the Key Managerial Personnel as per the provision of Section(s) 2(51), 203 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

Further the Company had re-appointed Mr. Gajraj Jain as Chairman cum Managing Director in its 34th Annual General Meeting held on 28th September, 2019 for the period of three years w.e.f 17th April, 2020 and the board of Directors in its board Meeting held on 20th June, 2020 had appointed Ms. Komal as Company Secretary & Compliance Officer of the Company w.e.f 20th June, 2020.





DECLARATION GIVEN BY AN INDEPENDENT DIRECTOR(S) UNDER SECTION 149(6) OF THE COMPANIES ACT, 2013

Pursuant to the provision of Section 149(7) of the Act read with Regulation 25(8) of the Listing Regulation, the Company has received a declaration from each of the Independent Director that they meets the criteria of independence as provided under section 149(6) of the Act & SEBI (LODR) Regulations, 2015 and there has been no change in the circumstances which may affect their status as independent director during the year.

NUMBER OF MEETINGS OF BOARD OF DIRECTORS

The Board of Directors of your Company, met **8(Eight)** times during the Financial year ended March 31, 2021, i.e. on 20th June, 2020, 7th August, 2020, 29th September, 2020, 16th October 2020, 06th November, 2020, 29th December, 2020, 20th January, 2021 and 23rd March, 2021 respectively. The details of which are given in the Corporate Governance Report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013 and Regulation 17(2) of the SEBI (Listing obligations & Disclosure Requirements) Regulation, 2015



MEETING OF INDEPENDENT DIRECTORS

During the financial year 2020-21, the meeting of Independent Director was held on 20th January 2021, to review the performance of Non Independent Director. The Independent Directors reviewed the performance of non-independent directors and the Board as a whole, the performance of the Chairman of the Company, taking into account the views of Executive Directors and Non-Executive Directors and assessed the quality, quantity and timeliness of flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

BOARD EVALUATION

The board of directors has carried out an annual evaluation of its own performance, board committees and individual directors pursuant to the provisions of the Act and the corporate governance requirements as prescribed by Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations 2015 ("SEBI Listing Regulations").

The performance of the board was evaluated by the board after seeking inputs from all the directors on the basis of the criteria such as the board composition and structure, effectiveness of board processes, information and functioning, etc.

The performance of the committees was evaluated by the board after seeking inputs from the committee members on the basis of the criteria such as the composition of committees, effectiveness of committee meetings, etc.



The Board and the Nomination and Remuneration Committee ("NRC") reviewed the performance of the individual directors on the basis of the criteria such as the contribution of the individual director to the Board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc. In addition, the Chairman was also evaluated on the key aspects of his role.



In a separate meeting of independent directors, performance of non-independent directors, performance of the board as a whole and performance of the chairman was evaluated, taking into account the views of executive directors and non-executive directors. The same was discussed in the board meeting that followed the meeting of the independent directors, at which the performance of the board, its committees and individual directors was also discussed. Performance evaluation of independent directors was done by the entire board, excluding the independent director being evaluated.

CORPORATE GOVERNANCE AND MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The report on Corporate Governance and Management Discussion and Analysis Report as stipulated in SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 is integral part of this Annual Report along with the required Certificate from Practicing Company Secretary regarding compliance of the conditions of Corporate Governance.

In compliance with Corporate Governance requirements as per the SEBI Listing Regulations, your Company has formulated and implemented a Code of Conduct for all Board members and senior management personnel of the Company, who have affirmed the compliance thereto.

COMPLIANCE WITH SECRETARIAL STANDARDS ON BOARD MEETING AND GENERAL MEETING

The Institute of Company Secretaries of India has currently mandated compliance with the Secretarial Standards on board meetings and general meetings. During the year under review, the Company has complied with Secretarial Standards issued by the Institute of Company Secretaries of India on Board Meetings and General Meetings.

POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION AND OTHER DETAILS



Company's policy on directors' appointment and remuneration and other matters provided in Section 178(3) of the Act has been disclosed in the corporate governance report, which forms part of the directors' report.

The board on recommendation of Nomination and Remuneration Committee approved Remuneration Policy for Director, KMP and Senior Management Employee are also available at the website of the company i.e. www.cpil.com.



RISK MANAGEMENT POLICY

Effective risk management is essential to success and is an integral part of our culture. While we need to accept a level of risk in achieving our goals, sound risk management helps us to make the most of each business opportunity, and enables us to be resilient and respond decisively to the changing environment.

Our approach to risk management assists us in identifying risks early and addressing them in ways that manage uncertainties, minimize potential hazards, and maximize opportunities for the good of all our stakeholders including shareholders, customers, suppliers, regulators and employees. Risks can be broadly classified as Strategic, Operational, Financial, and Legal/Regulatory.



In accordance with the requirements of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015, the Company has adopted risk management policy, approved by Board of Directors and established a risk management framework to identify, mitigate and control the risk and threatens of risk.

INTERNAL CONTROL SYSTEMS

The Company has an internal control system, commensurate with the size, scale and complexity of its operations. To maintain its objectivity and independence, the Internal Audit function reports to the Chairman of the Audit Committee of the Board.

The Internal Auditor as appointed by the company monitors and evaluates the efficacy and adequacy of internal control systems in the Company. Based on the report of internal auditor, process owners undertake corrective action in their respective areas and thereby strengthen the controls. Significant audit observations and corrective actions thereon are presented to the Audit Committee of the Board.

BOARD COMMITTEES

Detailed composition of the mandatory Board Committees viz. Audit Committee, Nomination and Remuneration Committee, Stakeholder Relationship Committee, Corporate Social Responsibility Committee and no. of meetings held during the year under review and other related details are set out in the Corporate Governance Report which forms a part of this Report.



AUDIT COMMITTEE

The role, terms of reference, authority and powers of the Audit Committee are in conformity with Section 177 of the Companies Act, 2013 read with Regulation 18 of SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015. The details of which are given in the Corporate Governance Report. The Committee met periodically during the year and had discussions with the auditors on internal control systems and internal audit report.

NOMINATION & REMUNERATION COMMITTEE

The role, terms of reference, authority and powers of the Nomination & Remuneration Committee are in conformity with Section 178 of the Companies Act, 2013 read with Regulation 19 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015. The details of which are given in the Corporate Governance Report which forms a part of this Report.



STAKEHOLDER RELATIONSHIP COMMITTEE

The role, terms of reference, authority and powers of the Stakeholder Relationship Committee are in conformity with Section 178 of the Companies Act, 2013 read with Regulation 20 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015. The details of which are given in the Corporate Governance Report which forms a part of this Report.

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE (W.E.F 25/06/2021)

During the F.Y 2020-21, the Corporate Social Responsibility Committee (CSR) was not applicable on the Company but as per the Audited Financial Statement as on 31st March 2021, the net profit of the Company exceeds Rs. 5 Cr. and the provision of Section 135 of the Companies Act, 2013 (CSR) became applicable to the Company for the F.Y 2021-22 and the board of directors in its board meeting held on 25/06/2021 had constituted the CSR Committee. The role, terms of reference, authority and powers of the Corporate Social Responsibility Committee are in conformity with Section 135 of the Companies Act, 2013. The details of which are given in the Corporate Governance Report which forms a part of this Report.

AUDITORS

STATUTORY AUDITORS & THEIR REPORT

Pursuant to the provisions of section 139 of the Act and the rules framed there under, the company at its AGM held on 16th September, 2017 appointed **M/s Mittal Garg Gupta & Co. Chartered Accountants** as the statutory auditor for a term of 5(Five) consecutive years from the conclusion of the 32nd annual general meeting upto the conclusion of 37th annual general meeting to be held in the year 2022, 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 enforced on 7th May 2018 by the Ministry Of Corporate Affairs. Accordingly no resolution is being proposed for ratification of appointment of statutory auditors at the ensuing AGM.



The Notes to the financial statements referred in the Auditors Report are self-explanatory. There are no qualifications or reservations or adverse remarks or disclaimers given by Statutory Auditors' of the Company and therefore do not call for any comments under Section 134 of the Companies Act, 2013. The Auditors' Report is enclosed with the financial statements in this Annual Report.

SECRETARIAL AUDITORS & THEIR REPORT:

In terms of Section 204 of the Companies Act, 2013 and Rules framed there under and on the recommendation of the Audit Committee, the Board of Directors of the Company have appointed M/s. KKS & Associates, Company Secretaries as the Secretarial Auditor of the Company for the financial year 2020-2021. The Company has received consent from M/s. KKS & Associates, Company Secretaries, for their appointment. Further, his secretarial audit report is annexed as Annexure-III to this Report in prescribed Form MR-3.

Further, in pursuant to Regulation 24A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended vide SEBI Circular No. CIR/CFD/CMD1/27/2019 dated February 08, 2019, the Annual Secretarial Compliance Report for the Financial Year ended on March 31, 2021 as issued by M/s. KKS & Associates, Company Secretaries is also available at BSE India.com and on the website of the Company i.e www.cpil.com.



INTERNAL AUDITOR

In terms of Section 138 of the Companies Act, 2013 and Rules framed there under and on the recommendation of the Audit Committee, the Board of Directors of the Company have appointed M/S B. Rattan and Associates, Chartered Accountant as the Internal Auditors of your company for the financial year 2020-21. The Company has received consent from M/s. B. Rattan and Associates, Chartered Accountant, for their appointment.

Further, the board of Directors in its board meeting held on June 25, 2021 had appointed M/s Baj & Company as an Internal Auditor of the Company for the F.Y 2021-22. He will perform all the duties of internal auditor and conduct the Audit of the Company for FY 2021-22.

QUALIFICATIONS IN AUDIT REPORTS

There is no qualification, disclaimer, reservation or adverse remark or disclaimer made either by the statutory auditors in his report and by the company secretary in practice (Secretarial Auditor) in his secretarial audit report.

FRAUDS REPORTED BY AUDITORS UNDER SUB-SECTION (12) OF SECTION 143 OTHER THAN THOSE WHICH ARE REPORTABLE TO THE CENTRAL GOVERNMENT

During the year under review, there was no frauds reported by statutory auditors to Audit Committee and/or board under sub-section (12) of section 143 of the Companies Act, 2013

DISCLOSURE REGARDING MAINTAINANCE OF COST RECORD

The Company is not required to maintain the cost record as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013.

FUTURE PROSPECTS

The Company has improved tremendously from its last year performance and is optimistic to improve its overall performance with the existing trading portfolio of synthetic rubber, Coal, and agro products. And the company shall endeavor to capitalize further its trading portfolio.

The Company's has also entered into business of all kinds of infrastructure projects and is progressing steadily. Further, management of the company is evaluating various suitable prospects. On successful implementation of future projects and on the strength of its existing product portfolio, operational efficiency and enhanced network, the management, on overall basis, expects a robust growth and enhanced market share. The Board expects that the Company will continue to improve its overall performance and excel to enhance the profitability of the Company, in the present economic scenario and huge potential demand of these products in the Indian market, via its strategy competency, operational efficiencies and new line of activity on its successful implementation.



Future Prospects

CONSOLIDATED FINANCIAL STATEMENT

The Company has no subsidiary & associate Company. Therefore, in accordance with Section 129(3) of the Companies Act 2013 and Regulation 34(2) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, the provision regarding consolidated Financial Statements is not applicable.



VIGIL MECHANISM /WHISTLE BLOWER POLICY

Pursuant to Section 177 of the Companies Act 2013 and Regulation 22 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, the Board has adopted vigil mechanism in the form of Whistle Blower Policy for the Directors and Employees of the Company to deal with instances of fraud or mismanagement, if any. The Vigil Mechanism ensures standards of professionalism, honesty, integrity and ethical behaviour. The Company had adopted a Code of conduct for Directors and Senior Management Executives (“the Code”), which lays down the principles and standards that should govern their actions. The Policy regarding the same can be accessed at the website of the company

RELATED PARTY TRANSACTIONS

All Related Party Transactions are placed before the Audit Committee and also the Board/Members for their approval, wherever necessary. The related party transactions entered during the financial year were on an arm's length basis and were in the ordinary course of business.

Except the contracts/arrangements or transactions entered into by the Company with the related parties referred to in sub –section (1) of Section 188 of the Companies Act, 2013 during the course of business but which were not at arm's length basis. The details of the same are annexed herewith as “Annexure-I” in the prescribed Form AOC-2.

Further, there were no transactions which were material (considering the materiality thresholds prescribed under the Companies Act and Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. There were no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large.

CORPORATE SOCIAL RESPONSIBILITY

During the F.Y 2020-21, the Corporate Social Responsibility Committee (CSR) was not applicable on the Company but as per the Audited Financial Statement as on 31st March 2021, the net profit of the Company exceeds Rs. 5 Cr. and the provision of Section 135 of the Companies Act, 2013 (CSR) became applicable to the Company for the F.Y 2021-22. Accordingly, the Board of Directors in its Board Meeting held on 25th June, 2021 had constituted the CSR Committee. The Composition of CSR Committee and other details are the part of Corporate Governance Report.



PECUNIARY RELATIONSHIP OR TRANSACTIONS OF THE NON-EXECUTIVE DIRECTORS AND DISCLOSURES ON THE REMUNERATION OF THE DIRECTORS

All pecuniary relationship or transactions of the non executive directors vis-a-vis the company, along with criteria for such payments and disclosures on the remuneration of directors along with their shareholding are disclosed Form MGT-9, which forms a part of this Report and Corporate Governance Report.



INTER SE RELATIONSHIPS BETWEEN THE DIRECTORS

There is no relationship between directors except Mr. Gajraj Jain, Chairman Cum Managing Director of the company who is the husband of Mrs. Hemlata Jain, Woman Director of the Company.

SHARE CAPITAL



The paid up Equity Share Capital as on March 31, 2021 was Rs. 36,980,000/-. During the year under review, the Company has not issued any shares with differential voting rights nor granted stock options nor sweat equity. As on March 31, 2021, no other director holds any share in the Company except Mrs. Hemlata Jain, Woman Director of the company holds 1278111 (34.56%) Equity shares of the Company and Gajraj Jain in HUF Capacity holds 181350 (4.90%) Equity Shares. Further, Gajraj Jain HUF had transferred his entire holding in the Company on May 31, 2021 to Mrs. Hemlata Jain by way of dissolution and total partition deed entered dated 25th May, 2021.

E-VOTING

The Company is providing e-voting facility to all members to enable them to cast their votes electronically on all resolutions set forth in the Notice. This is pursuant to section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of SEBI (Listing Obligations & disclosure Requirements) Regulations, 2015 read with the Ministry of Corporate Affairs General Circular Nos. 14/2020 dated 8th April, 2020, 17/2020 dated 13th April, and 20/2020 dated 5th May, 2020 and 02/2021 dated 13th January, 2021 ('MCA Circulars') and also the Circular dated 12th May, 2020 and SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated 15th January, 2021 issued by the Securities and Exchange Board of India ("SEBI Circular"). The instruction(s) for "remote e-voting" and "e-voting" during the AGM for ensuing Annual General Meeting is also provided with notice to shareholders of this Annual Report.



Remote E-voting facility before the AGM of our company will remain open from 18.09.2021, 9:00 a.m. till 20.09.2021.5:00 p.m.



EXTRACT OF ANNUAL RETURN

As required under Section 92 (3), 134(3)(a) of the Companies Act, 2013 read with Rule 12 of Companies (Management & Administration), Rules, 2014, the extract of the Annual Return in the prescribed form MGT- 9 is annexed herewith as **“Annexure II”**. Link of the same is also available on the Company Website, which can be accessed through www.cpil.com

PREVENTION OF INSIDER TRADING

The Company has adopted a Code of Conduct for Prevention of Insider Trading with a view to regulate in securities by the Directors and designated employees of the Company. The Code prohibits the purchase or sale of Company shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed. The Code of Conduct to regulate, monitor and report Insider trading is uploaded on the Company's website: www.cpil.com

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

Information in respect to Conservation of Energy technology absorption, foreign exchange earnings and outgo, pursuant to Rule 8 of the Companies (Accounts) Rules, 2014 is as follows:-

| | | | | |
|----|----------------------------------|----------------------------|---------------|----------------|
| a. | Conservation of energy | | NIL | (Rs.) |
| b. | Technology Absorption | | NIL | |
| c. | Foreign Exchange Earnings | Current Year | NIL | |
| | | Previous Year | NIL | |
| d. | Foreign Exchange Earning & Outgo | Foreign Exchange Earning | NIL | |
| 1. | Foreign Exchange Outgo | | | |
| | I) | Foreign Traveling Expenses | Current Year | Rs. NIL |
| | | | Previous Year | Rs. NIL |
| | ii) | CIF Value of Imports | Current Year | Rs. NIL |
| | | | Previous Year | Rs. 1003 Lakhs |

PARTICULARS EMPLOYEES PURSUANT TO SECTION 197 OF THE COMPANIES ACT, 2013 READ WITH RULE 5 (1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

The information required pursuant to Section 197 read with Rule 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Companies (Particulars of Employees) Rules, 1975, in respect of Managerial Personnel, Directors and Employees of the Company is furnished in Annexure IV



PUBLIC DEPOSITS

During the year, the Company has not received any Deposits from public under the purview of Section 73 of the Companies Act, 2013 read with Companies (Acceptance of Deposits) Rules, 2014 and Chapter V of the Companies Act, 2013.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

In terms of Section 134 (3) (g), towards inclusion of the details of particulars of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 & Rules made thereunder in this report, the same are given in the notes to the Financial Statements.

INVESTOR EDUCATION AND PROTECTION FUND

Pursuant to Section 124(5) of the Companies Act, 2013, Unpaid Dividend amount of the company which remained unpaid or unclaimed for a period of seven years from the date of such transfer has been transferred to the Investor Education and Protection Fund (IEPF) established under sub-section (1) of section 125. Member(s) who have not encash their dividend warrants so far for the financial year ended March 31, 2014 or any subsequent financial year are requested to make their claims to the office of the Registrar and Share Transfer Agents i.e M/s Alankit Assignment Ltd, 4E/2, Jhandewalan Extension, New Delhi-110055. The dividend for the financial year ended March 31, 2014 will be transferred to the aforesaid account on or before November 28, 2021.



DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMAN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company is committed for providing and promoting a safe and healthy work environment for all its employees.

In accordance with the provisions of the Sexual Harassment of Women at the Workplace (prevention, Prohibition & Redressal) Act, 2013 and the Rules framed there under for prevention and redressal of complaints of sexual harassment at workplace, along with a structured reporting and redressal mechanism. The Company has complied with provisions relating to the constitution of Internal Complaints Committee under the said Act.

There were no complaint regarding sexual harassment by any women employees (permanent, contractual, temporary, trainees) who are covered under this policy till the date of this report.

SIGNIFICANT MATERIAL ORDER PASSED BY REGULATORS OR COURT OR TRIBUNALS AGAINST THE COMPANY

During the period under review, there was no significant and material order passed by regulators or court or tribunals against the company impacting the going concern status and Company's operations in future.



COMPLIANCE WITH THE SEBI (LISTING OBLIGATIONS & DISCLOSURE REQUIREMENTS) REGULATIONS 2015

The company's equity shares continue to be listed on the Bombay Stock Exchange (BSE), Mumbai which has nationwide trading terminals. The company has paid the Annual Listing Fees to BSE for the Financial Year 2020-2021. All compliances with respect to the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 have been duly made by the company.



ACKNOWLEDGEMENT

Your Directors place on record their warm appreciation of the assistance and cooperation extended by various Government Departments, Authorities, and Business Partners etc. Your Directors also place on record their deep appreciation of the support provided by the Bankers associated with the company.

Your company's employees are instrumental to your company achieving higher business goals. Your directors place on record their deep admiration of the commitment and contribution of your company's employees. Your support as shareholders is greatly valued. Your directors thank you and look forward to your continuance support.

For and on behalf of the board of directors

Gajraj Jain
Chairman Cum Managing Director
DIN: 00049199

Jitendra Kumar Mishra
Director
DIN: 07983426

Place : Gurugram

Date : July 30, 2021

Corporate Identification Number (CIN): L51909DL1984PLC019441

Registered Office: 14, Rani Jhansi Road, New Delhi-110055

Corporate Office: 522, Fifth Floor, DLF Galleria

Commercial Complex, DLF City Phase IV,

Gurugram, Haryana, 122009

Phone: +91-124-44754936

Email: info@cpil.com, investor@cpil.com

Website: www.cpil.com



ANNEXURES

ANNEXURE-I

FORM NO. AOC-2

[Pursuant to clause (h) of Sub-section (3) of Section 134 of the Act and Rule 8(2) of the Companies (Accounts), Rules, 2014]

Form of disclosure of particulars of contracts/arrangements/entered into by the Company with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto.

1. Detail of contracts or arrangements or transactions not at Arm's length basis **NOT APPLICABLE**
2. Detail of contracts or arrangements or transactions at Arm's length basis :

| (Amount in Lacs) | | | | | | | |
|------------------|---|---------------------------|---|--------------|---|--|--------------------------------|
| Sr. No. | Name of the Related party | Nature of Relationship | Nature of contracts/Arrangements/Transactions | Amount | Duration of contracts/Arrangements/transactions | Salient terms of contracts or arrangements or transactions | Amount Paid as advance, if any |
| 1. | Alsan Rubber & Chemicals Pvt. Ltd. | Entity of Relative of KMP | Interest free temporary Advances given | NIL | NIL | Temporary Interest free Advances | NIL |
| 2. | Alsan Rubber & Chemicals Pvt. Ltd. | Entity of Relative of KMP | Interest free temporary received back | 8.50 | One Year | Temporary Interest free Advances | NIL |
| 3. | Alsan Rubber & Chemicals Pvt. Ltd. | Entity of Relative of KMP | Amount Receivable against Advances | 32.78 | One Year | Temporary Interest free Advances | NIL |
| 4. | Mrs. Hemlata Jain | Women Director | Interest Free Temporary Loan Received | 455.50 | One Year | Temporary Loan | NIL |
| 5. | Mrs. Hemlata Jain | Women Director | Interest Free Temporary Loan Repaid | 522.75 | One Year | Temporary Loan | NIL |
| 6. | South West Pinnacle Exploration Limited | Entity of Relative of KMP | Rent Paid Rent Payable | 9.00 0.81 | 11 months | Rent Agreement | NIL |

For and on behalf of the board of directors

Place : Gurugram
Date : July 30, 2021

Corporate Identification Number (CIN):
L51909DL1984PLC019441

Registered Office: 14, Rani Jhansi Road, New Delhi-110055

Corporate Office: 522, Fifth Floor, DLF Galleria Commercial Complex,
DLF City Phase IV, Gurugram, Haryana, 122009

Phone: +91-124-44754936 | Email: info@cpil.com, investor@cpil.com

Website: www.cpil.com

Gajraj Jain
Chairman Cum Managing Director
DIN: 00049199

Jitendra Kumar Mishra
Director
DIN: 07983426



ANNEXURE-II

Form No. MGT-9

EXTRACT OF ANNUAL RETURN as on the financial year ended on 31st March, 2021

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

I. Registration and other details:

- i) **CIN:** L51909DL1984PLC019441
- ii) **Registration Date:** 29/11/1984
- iii) **Name of the Company:** CHANDRA PRABHU INTERNATIONAL LIMITED
- iv) **Category/Sub-Category of the Company:** Company limited by shares/ Indian Non-Government Company
- v) **Address of the Registered office, Corporate Office and contact details:**
 Regt Office: 14, Rani Jhansi Road, New Delhi –110 055,
Corporate Office: 522, Fifth Floor, DLF Galleria Commercial Complex, DLF City Phase IV, Gurugram, Haryana, 122009
 E-mail Id:-info@cpil.com, cs@cpil.com, **Phone: +91-124-4475493**, Website:-www.cpil.com.
- vi) **Whether listed company:** Yes
- vii) **Name, Address and Contact details of Registrar and Transfer Agent, if any:**
 Alankit Assignments Ltd.
 Address : Alankit house, 4E/2, Jhandewalan Extension, New Delhi – 110055
 Ph.: 011-42541234

II. Principal business activities of the company

Business activities contributing 10% or more of the total turnover of the company are:-

| SR.No | Name and Description of main products / services | NIC Code of the Product/ service | % to total turnover of the company |
|-------|--|----------------------------------|------------------------------------|
| 1. | Coal | 46610 | 99.58% |
| 2. | Agro Food Products | 46201 | 0.42% |

III. Particulars of holding, subsidiary and associate companies

| SR.No. | Name and Address of The company | CIN/GLN | Holding/ Subsidiary/ Associate | % of shares Held | Applicable section |
|--------|---------------------------------|---------|--------------------------------|------------------|--------------------|
| Nil | | | | | |



IV. Share holding pattern (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding

| Category of Shareholders | No. of Shares held at the beginning of the year i.e. 01.04.2020 | | | | No. of Shares held at the end of the year i.e. 31.03.2021 | | | | % Change during the year |
|--|---|--------------|----------------|-------------------|---|--------------|----------------|-------------------|--------------------------|
| | Demat | Physical | Total | % of Total Shares | Demat | Physical | Total | % of Total Shares | |
| A. Promoters | | | | | | | | | |
| (1) Indian | | | | | | | | | |
| a) Individual/HUF | 2296090 | 0 | 2296090 | 62.09 | 2336390 | 0 | 2336390 | 63.18 | 1.09 |
| b) Central Govt | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| c) State Govt(s) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| d) Bodies Corp. | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| e) Banks / FI | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| f) Any Other | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Sub-total (A) (1):- | 2296090 | 0 | 2296090 | 62.09 | 2336390 | 0 | 2336390 | 63.18 | 1.09 |
| (2) Foreign | | | | | | | | | |
| a) NRIs - Individuals | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| b) Other Individuals | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| c) Bodies Corp. | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| d) Banks / FI | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| e) Any Other | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Sub-total (A) (2):- | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total shareholding of Promoter (A) = (A)(1)+(A)(2) | 2296090 | 0 | 2296090 | 62.09 | 2336390 | 0 | 2336390 | 63.18 | 1.09 |
| B. Public Shareholding | | | | | | | | | |
| 1. Institutions | | | | | | | | | |
| a) Mutual Funds | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| b) Banks / FI | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| c) Central Govt | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| d) State Govt(s) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| e) Venture Capital Funds | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| f) Insurance Companies | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| g) FIIs | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| h) Foreign Venture Capital Funds | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| i) Others (specify) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Sub-total (B)(1):- | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 2. Non-Institutions | | | | | | | | | |
| a) Bodies Corp. | 53152 | 500 | 53652 | 1.450 | 19300 | 500 | 19800 | 0.535 | (0.915) |
| i) Indian | | | | | | | | | |
| ii) Overseas | | | | | | | | | |
| b) Individuals | | | | | | | | | |
| i) Individual shareholders holding nominal share capital upto Rs. 1 lakh | 613333 | 80006 | 693339 | 18.749 | 618614 | 79906 | 698520 | 18.889 | 0.140 |
| ii) Individual shareholder holding nominal share capital in excess of Rs 1lakh | 651411 | 0 | 651411 | 17.615 | 633662 | 0 | 633662 | 17.135 | (0.480) |
| c) Others (specify) | | | | | | | | | |
| (i) Non Resident Indians | 3500 | 0 | 3500 | 0.095 | 5400 | 0 | 5400 | 0.146 | 0.051 |
| (ii) Clearing Members | 8 | 0 | 8 | 0.0002 | 4228 | 0 | 4228 | 0.114 | 0.114 |
| Sub- Total (B)(2) | 1321404 | 80506 | 1401910 | 37.910 | 1281204 | 80406 | 1361610 | 36.819 | (1.09) |
| Total Public Shareholding (B)=(B)(1)+(B)(2) | 1321404 | 80506 | 1401910 | 37.910 | 1281204 | 80406 | 1361610 | 36.819 | (1.09) |
| C. Shares held by Custodian for GDRs & ADRs | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Grand Total (A+B+C) | 3617494 | 80506 | 3698000 | 100 | 3617594 | 80406 | 3698000 | 100 | 0 |



ii) Shareholding of Promoters

| SR. No. | Shareholder's Name | Share holding at the beginning of the year i.e. 01.04.2020 | | | Share holding at the end of the year i.e.31.03.2021 | | | |
|--------------|--------------------|--|----------------------------------|---|---|----------------------------------|---|-------------|
| | | No. of Shares | % of total Shares of the company | %of Shares Pledged / encumbered to total shares | No. of Shares | % of total Shares of the company | %of Shares Pledged / encumbered to total shares | |
| 1. | Abhash Jain | 69608 | 1.882 | 0 | 0 | 0 | 0 | (1.882) |
| 2. | Gajraj Jain (HUF) | 181350 | 4.904 | 0 | 181350 | 4.904 | 0 | 0 |
| 3. | Hemlata Jain | 1104822 | 29.876 | 0 | 1278111 | 34.562 | 0 | 4.686 |
| 4. | Piyush Jain | 345000 | 9.329 | 0 | 350000 | 9.464 | 0 | 0.135 |
| 5. | Aditi Jain | 150000 | 4.056 | 0 | 81619 | 2.207 | 0 | (1.849) |
| 6. | Sheetal Jain | 100000 | 2.704 | 0 | 100000 | 2.704 | 0 | 0 |
| 7. | Vikas Jain | 345310 | 9.338 | 0 | 345310 | 9.338 | 0 | 0 |
| TOTAL | | 2296090 | 62.09 | 0 | 2336390 | 63.18 | 0 | 1.09 |



iii) Change in Promoters' Shareholding (please specify, if there is no change)

| SR.No. | Name of Promoter | Shareholding at the beginning of the year i.e. 01.04.2020 | | Date | Reason | Increase/ Decrease in Shares | Cumulative Shareholding during the year (01.04.2020 to 31.03.2021) | |
|--------|-------------------|---|----------------------------------|------------|--|------------------------------|---|----------------------------------|
| | | No. of shares | % of total Shares of the Company | | | | No. of shares | % of total Shares of the Company |
| 1. | Abhash Jain | 69608 | 1.882 | 01.04.2020 | Sale of shares through open market | | | |
| | | | | | | (69608) | | |
| | | | | 31.03.2021 | | | 0 | 0.00 |
| 2. | Gajraj Jain (HUF) | 181350 | 4.904 | 01.04.2020 | Nil movement during the year | | | |
| | | | | | | | | |
| | | | | 31.03.2021 | | | 181350 | 4.904 |
| 3. | Hemlata Jain | 1104822 | 29.876 | 01.04.2020 | Acquisition of share through open market | | | |
| | | | | | | 173289 | | |
| | | | | 31.03.2021 | | | 1278111 | 34.562 |
| 4. | Piyush Jain | 345000 | 9.329 | 01.04.2020 | Acquisition of share through open market | 5000 | | |
| | | | | | | | 350000 | 9.464 |
| | | | | 31.03.2021 | | | | |
| 5. | Aditi Jain | 150000 | 4.056 | 01.04.2020 | Sale of shares through open market | | | |
| | | | | | | (68381) | | |
| | | | | 31.03.2021 | | | 81619 | 2.207 |
| 6. | Sheetal Jain | 100000 | 2.704 | 01.04.2020 | Nil movement during the year | | | |
| | | | | | | | | |
| | | | | 31.03.2021 | | | 100000 | 2.704 |
| 7. | Vikas Jain | 345310 | 9.338 | 01.04.2020 | Nil movement during the year | | | |
| | | | | | | | | |
| | | | | 31.03.2021 | | | 345310 | 9.338 |
| TOTAL | | 2296090 | 62.09 | | | | 2336390 | 63.18 |
| | | | | | | | | |

iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

| SR.No. | Top Ten Shareholders* | Shareholding at the beginning of the year 01.04.2020 | | Cumulative Shareholding at the end of year 31.03.2021 | |
|--------|-----------------------|--|----------------------------------|---|----------------------------------|
| | | No. of shares | % of total Shares of the Company | No. of shares | % of total Shares of the Company |
| 1. | Richa Arneja | 183056 | 4.9501 | 179000 | 4.8405 |
| 2. | Pranav Gupta | 37500 | 1.014 | 37500 | 1.014 |
| 3. | B.Parvathavardhini | 32182 | 0.870 | 32182 | 0.870 |
| 4. | Pranaba Kumar Nayak | 0 | 0.00 | 30730 | 0.831 |
| 5. | S. C. Khaneja | 30715 | 0.831 | 30715 | 0.831 |
| 6. | Bhushan Singla | 44088 | 1.1922 | 30101 | 0.814 |
| 7. | Amrit Lal Todi | 0 | 0.00 | 30000 | 0.811 |
| 8. | Monika Modi | 0 | 0.00 | 29920 | 0.809 |
| 9. | Ashok Kumar Khetarpal | 49000 | 1.325 | 29000 | 0.784 |
| 10. | Chandan Khetan | 0 | 0.00 | 25631 | 0.693 |

*The shares of the company are traded on a daily basis and hence the date wise increase/ decrease in shareholding is not indicated. Shareholding is consolidated based on permanent account number (PAN) of the shareholder:



I) Shareholding of Directors & Key Managerial Personnel:

| SR.No. | Name of Director/ Key/Managerial Personnel | Shareholding at the beginning of the year i.e. 01.04.2020 | | | Purchase /Sale during the year | | Cumulative Shareholding during the year (01.04.2020 to 31.03.2021) | |
|--------|--|---|---|------------|---|---------------|--|--|
| | | No. of shares | % of total Shares of the Company | Date | Reason | No. of Shares | No. of shares | %of total Shares of theComp any |
| 01. | Hemlata Jain | 1104822 | 29.876 | 01.04.2020 | Acquisition of share through off market i.e inter –se transfer | 173289 | | |
| | | | | | | | | |
| | | | | 31.03.2021 | | | 1278111 | 34.562 |
| 02. | Gajraj Jain (HUF) | 181350 | 4.904 | 01.04.2020 | Nil movement during the year | 0 | | |
| | | | | | | | | |
| | | | | 31.03.2021 | | | 181350 | 4.904 |
| | | | | | | | 181350 | 4.904 |
| Total | | 1286172 | 34.780 | | 31.03.2021 | | 1459461 | 39.466 |

V. Indebtedness

Indebtedness of the Company including interest outstanding/ accrued but not due for payments

| Particulars | Secured Loans excluding deposits*(Refer Note-1 | Unsecured Loans | Deposits | Total Indebtedness |
|---|---|--------------------|----------|-----------------------|
| Indebtedness at the beginning of the financial year | | | | |
| i) Principal Amount | 2,90,66,983 | 3,81,05,617 | NIL | 6,71,72,600 |
| ii) Interest due but not paid | NIL | NIL | NIL | NIL |
| iii) Interest accrued but not due | NIL | NIL | NIL | NIL |
| Total (i+ii+iii) | 2,90,66,983 | 3,81,05,617 | NIL | 6,71,72,600 |
| Change in Indebtedness during the financial year | | | | |
| • Addition | 2,47,50,81,502 | 6,78,60,892 | NIL | 25,42,94,394 |
| • Reduction | (2,51,46,77,296) | (7,72,66,509) | NIL | (2,59,19,43,805) |
| Net Change | (3,95,95,794) | (94,05,617) | NIL | (4,90,01,411) |
| Indebtedness at the end of the financial year | | | | |
| i) Principal Amount | (1,05,28,811) | 2,87,00,000 | NIL | 1,81,71,189 |
| ii) Interest due but not paid | NIL | NIL | NIL | NIL |
| iii) Interest accrued but not due | NIL | NIL | NIL | NIL |
| Total (i+ii+iii) | (1,05,28,811) | 2,87,00,000 | NIL | 1,81,71,189 |

*Note1:- It consists cash credit loan and vehicle loan



VI. Remuneration of directors

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

| Sl. no. | Particulars of Remuneration | Name of CMD: * Mr. Gajraj Jain | Total amount |
|---------|---|-----------------------------------|--------------|
| 1. | Gross salary | | |
| | (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 | 0 | 0 |
| | (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 | 0 | 0 |
| | (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961 | 0 | 0 |
| 2. | Stock Option | 0 | 0 |
| 3. | Sweat Equity | 0 | 0 |
| 4. | Commission - as % of profit - others, specify... | 0 | 0 |
| 5. | Others, please specify | 0 | 0 |
| | Total (A) | 0 | 0 |
| | Ceiling as per the Act | | |

*Mr. Gajraj Jain, Chairman Cum Managing Director of the Company has not drawn any Salary/Remuneration during Financial Year 2020-21.

B. Remuneration to Other Key Managerial Personnel(Chief Financial Officer, Company Secretary and Manager etc.)

| Sl. no. | Particulars of Remuneration | Name of CFO: Mr. Amar Singh | Name of Company Secretary & Compliance Officer : -Ms. Komal (w.e.f 20.06.2020) | Total amount |
|---------|---|--------------------------------|--|---------------|
| 1. | Gross salary | | | |
| | (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 | Rs.6,21,000/- | Rs. 2,96,749/- | Rs.9,17,749/- |
| | (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 | 0 | 0 | 0 |
| | (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961 | 0 | 0 | 0 |
| 2. | Stock Option | 0 | 0 | 0 |
| 3. | Sweat Equity | 0 | 0 | 0 |
| 4. | Commission - as % of profit - others, specify... | 0 | 0 | 0 |
| 5. | Others, please specify | 0 | 0 | 0 |
| | Total (A) | Rs.6,21,000/- | Rs. 2,96,749/- | Rs.9,17,749/- |
| | Ceiling as per the Act | | | |



- C. Remuneration to Other Non-Executive Directors-No remuneration is paid to Independent Non Executive Director, they are only eligible for sitting fees for attending Board and Committee Meetings.

VII. Penalties / punishment/ compounding of offences

During FY 2020-21, there were no penalties/ punishment/ compounding of offences under the Companies Act, 2013.

For and on behalf of the board of directors

Gajraj Jain
Chairman Cum Managing Director
DIN: 00049199

Jitendra Kumar Mishra
Director
DIN: 07983426

Place : Gurugram

Date : July 30, 2021

Corporate Identification Number (CIN): L51909DL1984PLC019441

Registered Office: 14, Rani Jhansi Road, New Delhi-110055

Corporate Office: 522, Fifth Floor, DLF Galleria

Commercial Complex, DLF City Phase IV,

Gurugram, Haryana, 122009

Phone: +91-124-44754936

Email: info@cpil.com, investor@cpil.com

Website: www.cpil.com



ANNEXURE-III

SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2021

[Pursuant to Section 204 (1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 read with Regulation 24A of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015]

To,
The Members,
Chandra Prabhu International Ltd.
14 Rani Jhansi Road New Delhi 110055

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Chandra Prabhu International Ltd.** (hereinafter called the “Company”). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing our opinion thereon.

Based on our verification of the Chandra Prabhu International Ltd.'s books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the company, its officers, agents and authorised representatives during the conduct of secretarial audit and as per the explanations and clarifications given to us and the representations made by the Management and considering the relaxation granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India due to spread of COVID-19 pandemic, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on **31st March, 2021** generally complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records made available to us and maintained by Chandra Prabhu International Ltd. for the financial year ended on 31st March, 2021 according to the applicable provisions of:

- i. The Companies Act, 2013 ('the Act') and the rules made there under, as applicable;
- ii. The Securities Contract (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of imports of goods;
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; **Not Applicable**
 - d. The Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015



- e. The Securities and Exchange Board of India (Depositories and Participants) Regulation, 2018
 - f. The Securities and Exchange Board of India (Share based Employee Benefits) Regulations, 2014. **Not Applicable**
 - g. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008. **Not Applicable**
 - h. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021. **Not Applicable**
 - i. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018. **Not Applicable**
- vi. Other laws applicable to the Company as per the representations made by the Management. We have also examined compliance with the applicable clauses of the following:
- a. Secretarial Standards issued by The Institute of Company Secretaries of India, with respect to board and general meetings.
 - b. The Listing Agreement entered into by the Company with BSE Limited read with Securities and Exchange Board of India (Listing Obligations & Disclosures Requirement) Regulations 2015.
 - c. The Rubber Act, 1947 and the Rubber Rules, 1955

During the period under review and as per the explanations and clarifications given to us and the representations made by the Management, the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, etc. mentioned above.

We further report that:

- 1) The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors and Woman Director(s). The changes (appointment or otherwise) in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- 2) Adequate notice was given to all Directors at least seven days in advance to schedule the Board Meetings. Agenda and detailed notes on agenda were sent in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. Decisions at the Board Meetings, as represented by the management, were taken unanimously.

We further report that as per the explanations given to us and the representations made by the Management and relied upon by us 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.

For KKS & Associates
Company Secretaries

Krishna Kumar Singh
Proprietor
FCS No : 8493
CP No : 9760

Place: NewDelhi
Date: July 30, 2021
UDIN: F008493C000712231

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,
The Members,
Chandra Prabhu International Ltd.
14 Rani Jhansi Road New Delhi 110055

Our Secretarial Audit Report (MR-3) of even date is to be read along with this letter.

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

For KKS & Associates
Company Secretaries

Krishna Kumar Singh
Proprietor
FCS No : 8493
CP No : 9760

Place: New Delhi
Date: July 30, 2021
UDIN: F008493C000712231



ANNEXURE-IV



[Pursuant to Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the Financial Year 2020-21:

| Sr. No. | Name of Director and KMP | Remuneration of Director and KMP for the financial year ended March 31, 2021 (in Rs.) | Ratio of remuneration of each director to median remuneration of employees | % increase in remuneration for the financial year ended March 31, 2021 provided for the purpose of section 197(12) of the Act |
|---------|--|---|--|---|
| 1. | Mr. Gajraj Jain, Chairman Cum Managing Director | NIL | - | - |
| 2. | Mr. Amar Singh, Chief Financial Officer | 6,21,000 | - | 12.5% |
| 3. | Ms. Komal, Company Secretary & Compliance Officer (w.e.f 20/06/2021) | 2,96,749 | - | - |
| 4. | Mrs. Hemlata Jain, Woman Director | Not Applicable | Not Applicable | - |
| 5. | *Mr. Prakash Goyal, Independent Director | Not Applicable | Not Applicable | - |
| 6. | **Mr. Nishant Goyal, Independent Director | Not Applicable | Not Applicable | - |
| 7. | Mr. Jitendra Mishra, Independent Director | Not Applicable | Not Applicable | - |

*Mr. Prakash Goyal, Independent Director of the Company ceased from the directorship due to death dated 01/05/2021.

**Mr. Nishant Goyal resigned from the directorship dated 20/06/2020.

Note:

- The remuneration to Non-Executive Directors consists of Sitting Fees only.
- It is hereby affirmed that the remuneration paid is as per the Nomination and Remuneration policy of the Company.
- There were Sixteen (16) permanent employees on the rolls of Company as on March 31, 2021.
- In the financial year, under review the percentage increase/decrease in the median remuneration for all employees was -43.33%.
- Mr. Gajraj Jain, Chairman Cum Managing Director of the Company has not drawn any Salary/Remuneration during Financial Year 2020-21
- Remuneration includes Gratuity, leave encashment at the end of the year, contribution to provident fund and superannuation.

For and on behalf of the board of directors

Gajraj Jain
Chairman Cum Managing Director
DIN: 00049199

Jitendra Kumar Mishra
Director
DIN: 07983426

Place : Gurugram

Date : July 30, 2021



FORWARD LOOKING STATEMENTS

The report contains forward-looking statements, identified by words like 'plans', 'expects', 'will', 'anticipates', 'believes', 'intends', 'projects', 'estimates' and so on. All statements that address expectations or projections about the future, but not limited to the Company's strategy for growth, product development, market position, expenditures and financial results, are forward-looking statements. Since these are based on certain assumptions and expectations of future events, the Company cannot guarantee that these are accurate or will be realised. The Company's actual results, performance or achievements could thus differ from those projected in any forward-looking statements. The Company assumes no responsibility to publicly amend, modify or revise any such statements on the basis of subsequent developments, information or events. The Company disclaims any obligation to update these forward-looking statements, except as may be required by law.

This Management Discussion & Analysis Report contains statements about expected future events and financial and operating results of CPIL, which may be classified as forward-looking. By their nature, forward-looking statements require the Company to make assumptions and are subject to inherent risks and uncertainties. There is significant risk that the assumptions, predictions and other forward-looking statements will not prove to be accurate. Further, certain key performance indicators mentioned in the Annual Report are based on classifications made by the Company. Do not place undue reliance on forward-looking statements as a number of factors could cause assumptions and actual future results or events to differ materially from those expressed in these forward-looking statements.

Chandra Prabhu International Ltd. is a well known name in the trading of Coal, Synthetic Rubber & Agro Food for last many years. At CPIL, we acknowledge that the real value of any organization is determined by the value it delivers to its stakeholders. Across all our business and operations, we have been working towards achieving profitable growth in an ethical, environment friendly and socially responsible manner.

GLOBAL ECONOMIC OVERVIEW:

The outbreak of the novel corona virus (Covid-19) and the consequent lockdown and suspension of economic activities across the world lead to steep decline in global economic growth and the global economy reported de-growth of 3.3% in 2020 compared to a growth of 2.9% in 2019, the sharpest contraction since World War II. This also led to global supply chain disruptions, resulting in a de-growth in some of the largest global economies.



Barring, China whose Gross Domestic Product grew 2.3% in 2020 compared to 6.1% in 2019 despite being the epicenter of the outbreak of the novel corona virus Global economy contracted to 3.3% other Major economies of the world witnessed steepest decline, The United States witnessed a GDP de-growth of 3.4% in 2020 compared to a growth of 2.3% in 2019, United Kingdom's GDP shrank 9.9% in 2020 compared to 1.4% growth in 2019 and Japan witnessed a contraction of 4.8% in 2020, the first instance of a contraction since 2009. (Source: CNN, IMF, Economic Times, trading economics, Statistic, CNBC).

The global economy is projected to grow by 5.5% in 2021 largely due to the successful roll-out of vaccines across the globe, coupled with policy support in large economies. (Source: IMF).

INDIAN ECONOMIC REVIEW

At the start of 2020, India was among five largest global economies; its economic growth rate was the fastest among major economies (save China); its market size at Rs. 1.38 bn was the second largest in the world; its rural population of the under-consumed was the largest in the world.

Due to the outbreak of the novel corona virus, the Indian government announced a complete lockdown in public movement in the month of March 2020 one of the most stringent lockdowns enforced in the world as 1.38 billion Indians were required to stay indoors and economic activity came to a grinding halt. This lockdown, suspension of economic activities across the country coupled with muted consumer sentiment and investments had a devastating impact on an already-slowing Indian economy during the first quarter of the year under review. The Indian economy de-grew 23.9% in the first quarter of 2020-21, the sharpest degrowth experienced by the country since the index was prepared.

The Indian and state governments selectively lifted controls on movement, public gatherings and events from June 2020 onwards, each stage of lockdown relaxation linked to corresponding economic recovery. Interestingly, as controls relaxed what the country observed was a new normal: individuals were encouraged to work from home; inter-city business travel was replaced by virtual engagement; a greater premium was placed on the ownership of personal mobility modes (cars and two-wheelers); there was a sharp increase in home purchase following the need to accommodate an additional room for home working.

The result is that India's relief consumption, following the lifting of social distancing controls, translated into a full-blown economic recovery. A number of sectors in India – real estate, steel, cement, home building products and consumer durables, among others - reported unprecedented growth. India de-grew at a relatively improved 7.5% in the July-September quarter and reported 0.4% growth in the October-December quarter and a 1.6% growth in the last quarter of the year under review.

The result is that India's GDP contracted 7.3% during 2020-21, largely on account of the sharp depreciation of the first two quarters. This sharp Indian recovery one of the most decisive among major economies validated India's robust long-term consumption potential.

INDIAN ECONOMIC REFORMS AND RECOVERY

One of the positive features of the Indian economy during the year under review was improving Goods and Services Tax (GST) collections month-on-month in the second half of 2020-21 following the relaxation of the lockdown, validating the consumption-driven improvement in the economy.



Despite the gloomy economic scenario, foreign direct investments (FDI) in India increased 13% to USD 57 billion in 2020. The gap between government expenditure and revenue was estimated at H12 trillion due to increased borrowing by the government in May 2020 to address the COVID-19 outbreak. India jumped 14 places to 63 in the 2020 World Bank's Ease of Doing Business ranking and was the only country in the emerging market basket that received positive FPIs of USD 23.6 billion in 2020; the country ranked eighth among the world's top stock markets with a market capitalization of USD 2.5 trillion in 2020.

Structural reforms initiated by the Indian Government in agriculture, labour laws and medium-small enterprise segments intended to empower MSMEs increase employment, enhance labour productivity and wages. The government approved amendments to the Essential Commodities Act and brought an ordinance to allow farmers to sell their crop to anyone; the changes to the Essential Commodities Act, 1955, were intended to 'deregulate' agricultural commodities (cereals, pulses, oilseeds, edible oils, onions and potatoes from stock limits). The government approved the Farming Produce Trade and Commerce (Promotion and Facilitation) Ordinance, 2020, to ensure barrier-free trade in agriculture produce.

Further, India extended the Partial Credit Guarantee Scheme by relaxing the criteria and allowing state-owned lenders more time to purchase liabilities of shadow banks. Under the Rs.45,000 crore partial credit guarantee scheme, announced as a part of the Atmanirbhar Bharat package, three additional months were given to banks to purchase the portfolio of non-banking financial companies.

GOVERNMENT INITIATIVES

- ❖ To support and stimulate economic recovery, the Central Government and State Governments announced a series of fiscal stimulus measures. The Central Government announced Rs 1.70 lac crores relief package under Pradhan Mantri Garib Kalyan Yojana for the poor. The Government also increased its emphasis on the rural economy by raising the minimum support price and increasing the budgetary allocation to the Mahatma Gandhi National Rural Employment Guarantee Scheme, or MGNREGA, to Rs.1 lakh crore. It also announced Rs 30,000 crores additional emergency working capital for farmers to be refinanced by NABARD.
- ❖ Private sector participation was allowed in the coal sector. In the mining industry, it was declared that blocks would be put up for auction and that stamp duty on mining lease allocation would be reduced. Foreign direct investment (FDI) ceiling in defense production was increased from 49 percent to 74 percent. Certain arms imports were banned to promote local manufacturing. An Emergency Credit Line Guarantee Scheme of Rs 3 lac crores for eligible MSMEs was announced and further extended till June 2021. The task force on the national infrastructure pipeline increased India's infrastructure expenditure target for the next five years from Rs.102 trillion to Rs.111 trillion. This is expected to result in additional infrastructure spending in the FY 2022. The Government also sanctioned a PLI policy, or performance related incentive scheme, to stimulate economic growth at the cost of Rs 1.97 lakh crores, with pharma, pharmacy, electronics, and telecom among the major industries involved. The PM Awas Yojana was approved with a budget of Rs 18,000 crores to assist in constructing 12 lakh houses.
- ❖ In agriculture, the Government announced Rs. 2 lac crore of concessional credit to be extended via the Kisan Credit Cards scheme. The Government further announced the setting up of an Agriculture Infrastructure Fund amounting to Rs. 1 lakh crore for post-harvest farm-gate infrastructure. Three agriculture-related bills were passed by Parliament, which included many amendments such as the unlimited selling of farm produce, farmer's unrestricted ability to conduct contract farming, and the abolition of stocking caps on traders for a wide range of commodities. These bills are expected to facilitate enhancement of agricultural production and farm product transportation at the regional and national level.



- ❖ Recently on June 30, 2021, the Union Cabinet on Wednesday approved the ₹6.29-lakh crore relief package announced by Finance Minister Nirmala Sitharaman to support the pandemic-hit economy. As part of the package to support the COVID-19 pandemic-hit economy, Government announced ₹1.5 lakh crore of additional credit for small and medium businesses, more funds for the healthcare sector, loans to tourism agencies and guides, and waiver of visa fee for foreign tourists. Together with previously announced ₹93,869-crore spending on providing free foodgrains to the poor till November and additional ₹14,775 crore fertiliser subsidy, the stimulus package, which is mostly made up of government guarantee to banks and microfinance institutions for loans they extend to COVID-19-hit sectors, totalled up to ₹6.29 lakh crore.
- ❖ Further, to incentivise job creation, the government committed to paying the employer and employee's share to provident fund (PF) for all new recruitments done till March 2022. Previously, the government paid ₹902 crore for 21.42 lakh beneficiaries of 79,577 establishments.
- ❖ Time limits for filing compliance and return documents were extended under various laws, including The Income Tax Act, CGST Act and The Companies Act,

THE INDUSTRY: OPPORTUNITIES & THREATS

The Global pandemic caused by the novel corona virus comes at the time when both the Indian Economy and Automotive Industry were hoping for a recovery, and may result in negative impact on the expected growth rates. The absolute magnitude of impact which is still evolving depends on the extent of the ongoing lockdown and the effect caused by this pandemic. The volume growth in first quarter of FY 2020-21 has been very adversely affected due to this.

COVID-19 will impact all Stakeholders in the value chain who will experience both short and medium term impact. This could range from shortages of raw materials, liquidity crunch, delays in availability of material in customer demand.

Your company is working on various initiatives under the guidance of the Board, for ensuring Business Continuity, which includes a stage wise action plan i.e. before the lockdown, during the lockdown, immediately after the lockdown and thereafter, to safeguard people, financial health, supply chain, operations and community. The company is also working on the actions emphasising the worst case scenario in FY20-21 poised by the COVID-19 and has in place a set of concrete initiatives that may be implemented to survive this phase and be prepared for future business.

The Company being trading Company, the activities of the Company can be broadly divided into these business segments viz Coal, Agro Food Products and Synthetic Rubbers.

COAL

Industry Outlook:-

India is the world's second largest coal producer and the fifth largest in terms of coal deposits expected to last a minimum 100 years. This underscores the capacity of the country to provide adequate coal addresses its needs for industrial development. India produced (provisional) about 715.95 million tons of coal in 2020-21 compared with 730.87 million tones in 2019-20 (Source: coal.nic.in).





A complement of mining reforms and a growing focus on mineral-led manufacture of downstream metals is expected to catalyse growth of the steel, aluminium, fertilizers and cement sectors. India is endowed with substantial non-coking coal. The government's decision to eliminate coal imports by 2023-24 augurs well for the growth of the country's coal mining business.

The India coal market is expected to grow at a CAGR of more than 2.5% during the forecast period. Factors such as increasing power generation capacity plans and increasing electricity demand in India, owing to rapidly increasing industrial and infrastructural development activities, are expected to drive the market during the forecast period. However, the uses of coal are squeezed out of the energy mix and being substituted with renewables, the reason being the generation of air pollutants due to coal combustion. These factors, in turn, are expected to restrain the growth of the India coal market.

- Coal is extensively used in India to fire the thermal power stations and in turn meet the demand for various sectors, such as industry, transport, residential, commercial, and public services. The power stations segment is expected to dominate the market supported by India's plan for adding additional coal-fired plants during the forecast period.
- Lignite resources are concentrated in three states: Tamil Nadu, which accounts for 80% of lignite resources, Rajasthan and Gujarat. Most of the resources are untapped, and with supportive government policies, the mining of lignite sources is expected to create several opportunities for the market players.
- Moreover, population growth in India which is expected to overtake China as the world's most populous country by 2025 is a strong propeller for the market, with increased demand for electricity. Hence, to meet the demand coal production is expected to increase, subsequently driving the coal market in the country.

Company's Performance:-

The company has focused on trading in Imported Coal and its efforts yielded tremendous results and despite of pandemic hit economy, out of total revenue of **Rs. 22581.67 Lakhs**, company has generated revenue of **Rs. 22486.09 Lakhs** for the financial year 2020-2021 i.e. **99.58%** of revenue from coal segment has been attributed towards the total revenue of the company. The Company has gained momentum and is very optimistic to maintain the growth trajectory in the Coal segment and continues to perform well and exploit the available opportunities by effectively utilizing its resources.

RUBBER

Industry Outlook:-

Indian rubber industry has been growing in along with the strength and importance, as a part of India's burgeoning role in the global economy. Rubber belongs to elastomer type polymer class in which the polymer has the ability to return to its original shape post-deformation. The polymer is in a coiled form while it is resting. The ability to stretch the chains offers the elastic feature to rubber, and it returns to its original shape when the chains snap back after the tension is released. Rubber is a group term for macromolecular substances of natural and synthetic origin. The natural origin compound is generally known as natural rubber (NR), which is an addition polymer that is a derivative of the milky white fluid known as a latex. Latex is obtained from a tropical rubber tree. The natural rubber has the ability to vulcanize, a process by which the shorter chains get linked with sulfur to form longer chains. Synthetic rubber is an artificial elastomer that resembles natural rubber closely in various features.

Industry analysts forecast the global synthetic rubber Market to grow at a CAGR of 5.16%.

The Indian rubber consumption is mostly used in Automotive tyre sector (50% consumption of all kind of rubber), Bicycles tyres and rubber(15%),Footwear(12%),Belts and hoses: 6% & Other Products: 10%



Challenges Ahead:

The major threats which can affect the company are as follows:

- Competition from domestic and international companies.
- Cheap imports from China

Demand in the rubber industry depends on economic growth and/or infrastructure development. Any slowdown in economic growth across region will impact the industry's fortune. With the government focus on GST, emission norms and safety standards, the automotive industry is likely to experience significant technology advancements over next 4-5 years.

Company's Performance:-

Though our Company deals in trading of synthetic rubber, the Company has not traded in Rubber during the year under review, due to major focus on Coal Trading and time constraints due to lockdowns and suspension of economic activities. However, the management is planning to start afresh trading in Rubber during the fiscal 2021-22.

AGRO FOOD PRODUCTS

Industry Outlook:-

Agriculture in India is projected to register a CAGR of 4.9% during the forecast period (2021-2026).

During the outbreak of COVID-19, the Indian agriculture sector faced major challenges, like the harvesting process, which usually starts in mid-April, was thrown completely off-balance, resulting in major liquidity issues, labor scarcity has also affected the supporting infrastructure around India's agriculture sector, movement across state borders has been heavily restricted, which has blocked the movement of crops and consequently affected the sales, lockdowns in major economies across the country have caused delays and backlogs in supply chains, exports faced transport and logistics problems, more stringent customs restrictions, etc.

Indian Agricultural industry, with its allied sectors, is unquestionably the largest livelihood provider in India, more so in the vast rural areas. It also contributes a significant figure to the Gross Domestic Product (GDP). The high proportion of agricultural land, diverse-agro climatic conditions for cultivating different crops are some of the factors favoring agriculture in the country Schemes such as **Paramparagat Krishi Vikas Yojana (PKVY)** is helping in developing organic farming by promoting farmers to produce commodities free of pesticide and residue.

Agriculture is the primary source of livelihood for about 58% of India's population. Gross Value Added by agriculture, forestry, and fishing was estimated at Rs. 19.48 lakh crore (US\$ 276.37 billion) in FY20. Share of agriculture and allied sectors in gross value added (GVA) of India at current prices stood at 17.8 % in FY20. Consumer spending in India will return to growth in 2021 post the pandemic-led contraction, expanding by as much as 6.6%.

The Indian food industry is poised for huge growth, increasing its contribution to world food trade every year due to its immense potential for value addition, particularly within the food processing industry. Indian food and grocery market is the world's sixth largest, with retail contributing 70% of the sales. The Indian food processing industry accounts for 32% of the country's total food market, one of the largest industries in India and is ranked fifth in terms of production, consumption, export and expected growth.

Principal agricultural commodities export for April 2020 - January 2021 was US\$ 32.12 billion.



Government Initiatives

Some of the recent major Government initiatives in the sector are as follows:

- ❖ As per Union Budget 2021-22, Rs. 4,000 crore (US\$ 551.08 million) was allocated towards implementing Pradhan Mantri Krishi Sinchayee Yojana (PMKSY-PDMC).
- ❖ The Ministry of Food Processing has been allocated Rs. 1,308.66 crore (US\$ 180.26 million) in the Union Budget 2021-22.
- ❖ In April 2021, the Government of India approved a PLI scheme for the food processing sector with an incentive outlay of Rs 10,900 crore (US\$ 1,484 million) over a period of six years starting from FY 22.
- ❖ In November 2020, the government inaugurated a mega food park in Punjab worth Rs. 107.83 crores (US\$ 14.6 million) that will be spread across over 55 acres of land.
- ❖ The Government of India has allowed 100% FDI in marketing of food products and in food product E-commerce under the automatic route.

Threats

- Volatility in raw material prices
- Seasonality of crops.

Company's Performance:-

Company has generated revenue of **Rs. 95.58 Lakhs (0.42%)** from its Agro Products mainly in pulses, red lentils etc. during the year under review and it indicates an reduction in revenue from Agro based segment as compared to last year revenue for the financial year 2019-20.

COVID-19 – BUSINESS CONTINUITY AND ASSESSMENT OF FINANCIAL IMPACT

The financial year 2020-21 began with ongoing COVID19 pandemic that led to nationwide lockdown; the first phase started on March 24, 2020, till the second week of April 2020. The lockdown was relaxed in a phased manner depending upon the severity and magnitude of the spread of the pandemic. The Government permitted NBFCs and e-commerce delivery to begin operating, albeit in a limited capacity. Agricultural farming and related businesses, freight movement, and construction activity were allowed in rural areas. During this time, production in special economic zones was permitted, and taxi cab aggregators were authorized to operate in the orange zone. From June onwards, the Government announced a phased reopening. These included prohibitions being lifted on the inter-state and intra-state movement of commodities and people. Besides, most of the operations were authorized in non-containment areas in July, excluding entertainment, leisure, meetings, and educational facilities. From July 2020 onwards, lockdown measures were maintained only in the containment zone. A night-time curfew was enforced in all areas from 10 p.m. to 5 a.m. State borders were reopened, allowing interstate and intrastate travel. Shopping was permitted with more than five people at the same time. The night curfews were lifted in August, and in September, metro rail services and social gatherings were permitted with some restrictions. Corona infections started declining after reaching peak levels in September 2020. Furthermore, the economic recovery accelerated, helped by a strong recovery rate of 96 percent by December 2020.

The second wave of COVID-19 started in February 2021 in Maharashtra, Kerala, Punjab, Madhya Pradesh, Chhattisgarh. It then spread to other states, including the National Capital Region (NCR), leading to the reimposition of various restrictions on the free movement of people by some state governments. The Central Government, in response, rapidly rolled out the vaccine, initially for medical personnel, which was later extended to senior citizens and citizens above 45 years of age.



Business continuity

The Company has been extremely agile in its response to ensure business continuity while safeguarding the interests and safety of all the stakeholders including employees, vendors, customers, community and investors.

Supply chain operations

We witnessed some disruption in the supply chain at various points in time in different geographies. Operations in various states were temporarily shutdown at the start of the year. Units in other sourcing countries picked up the slack during that time. A lock-down in India led to a temporary closure of Indian operations at the end of March, resuming partial operations on 1st week of June, 2020. We have been adhering to all the directives issued by government authorities across our Indian operations. Emphasis on a quick turnaround of product offerings based on the need and changing preferences of customers, strengthening the supply chain network, and renewed focus on customer satisfaction will enable us to further improve our operating and financial performance.

Financial impact

The Company has made detailed assessments of its liquidity position and of the recoverability and carrying values of its assets, comprising property, plant and equipment, inventories, investments, receivables and other current assets as on the Balance Sheet date. Given the uncertainties associated with the nature, condition and duration of COVID-19, the impact assessment on the Company's financial statements will be continuously made and provided for as required.

INTERNAL CONTROLS AND THEIR ADEQUACY



The Company believes that strong internal control system and processes play a critical role in the health of the Company. The Company's well-defined organizational structure, documented policy guidelines, defined authority matrix and internal controls ensure efficiency of operations, compliance with internal policies and applicable laws and regulations as well as protection of resources. Moreover, the Company continuously upgrades these processes and systems in line with the best available practices. The internal control system is supplemented by extensive internal audits, regular reviews by the management and standard policies and guidelines which ensure reliability of financial and all other records.



The Company has, in material respect, an adequate internal financial control over financial reporting and such controls are operating effectively. The Company's Internal Auditor performed regular reviews of business processes to assess the effectiveness of internal controls. Internal Audits were carried out to review the adequacy of the internal control systems, compliance with policies and procedures. Internal Audit areas are planned based on inherent risk assessment, risk score and other factors such as probability, impact, significance and strength of the control environment. Further, each area processes/sub-processes risks were properly identified with mitigating controls. Its adequacy is assessed and the operating effectiveness was also tested.

HUMAN RESOURCES



The pandemic has brought impactful changes in all our lives highlighting importance of social distancing, wearing of masks, use of sanitizers, maintaining cleanliness to mitigate spread of Corona virus and developing habits of living with the Corona virus, the longevity of which is not yet known. The Company continued to create awareness amongst employees to strictly follow the Social Distancing protocol and mitigate the health risks during the pandemic by adapting to new methods of efficient working, striking work-life balance, switching to Work From Home (WFH) whenever necessary. The 'Lockdown' gave many new learnings, ideas and experience with respect to effective communication techniques, efficient time management, thereby improving overall efficiency, cost optimization. The importance of focusing on digital payment and use of advanced techniques for customer services has gained much prominence. Our Company is well prepared to adapt and switch to hybrid work culture – a combination of WFH and Work from Office/field, as and when necessary, to face the challenge of dynamic pandemic conditions.

SWOT Analysis

Strengths

- Highly skilled workforce through successful training and learning programs. Chandra Prabhu International Limited is investing its resources in training and development of its employees resulting in a workforce that is not only highly skilled but also motivated to achieve more.





- Strong distribution network – Over the years Chandra Prabhu International Limited has built a reliable distribution network that can reach majority of its potential market.
- Highly successful at Go to Market strategies for its products.
- Strong Free Cash Flow – Chandra Prabhu International Limited has strong free cash flows that provide resources in the hand of the company to expand into new projects.

Weakness

- Limited success outside core business – Even though **Chandra Prabhu International Limited** is one of the organizations in its industry, it has faced challenges in moving to other product segments with its present culture.
- Business and growth directly linked with the GDP growth of the country.

Opportunities

- Opening up of new markets because of government agreement – the adoption of new technology standard and government free trade agreement has provided Chandra Prabhu International Limited an opportunity to enter a new emerging market.
- Decreasing cost of transportation because of lower shipping prices can also bring down the cost of Chandra Prabhu International Limited's products thus providing an opportunity to the company - either to boost its profitability or pass on the benefits to the customers to gain market share.
- The market development will lead to dilution of competitor's advantage and enable Chandra Prabhu International Limited's to increase its competitiveness compare to the other competitors.

Threats

- Shortage of skilled workforce in certain market represents a threat to steady growth of profits for Chandra Prabhu International Limited in those markets.
- Intense competition – Stable profitability has increased the number of players in the industry over last two years which has put downward pressure on not only profitability but also on overall sales

Business Outlook and Overview:

The company has managed to achieve profit despite of the challenging environment. Chandra Prabhu International limited's distribution network, marketing strategy and innovation in product manufacturing distinguish it from other player. Company believes in achieving higher level of economic productivity through diversification, technological upgrading and innovation.

Company believes that a highly diverse, inclusive and collaborative culture is the key ingredients to fuel faster growth. Company has maintained diversification by dealing in business of coal, synthetic rubber and agro foods and aims to exploit the opportunities available in different sector and which provides benefit to the company.

For and on behalf of the board of directors

Place: Gurugram
Date: July 30, 2021

Gajraj Jain
Chairman Cum Managing Director
DIN: 00049199

Jitendra Kumar Mishra
Director
DIN: 07983426



REPORT ON CORPORATE GOVERNANCE



1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE:

Effective Corporate governance practices constitute the strong foundation on which successful commercial are built to last. Chandra Prabhu International Ltd. is concerned with principles of transparency, fairness, accountability and creation of sustainable long term value for all its stakeholders including members, customers, partners, employees and the society at large. Corporate Governance is crucial to the very existence of a company, as it builds trust and confidence, which eventually leads to a more stable and sustained resource flows and long-term partnership with its investors and other stakeholders.

The Company has a strong legacy of fair, transparent and ethical governance practices.

The Company has adopted a Code of Conduct for its employees including the Managing Director and the Executive Directors as well as Non-Executive Directors including Independent Directors.

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

2. A. COMPOSITION OF BOARD OF DIRECTORS:

- i. The composition of the Board is in conformity with Regulation 17 of the SEBI Listing Regulations read with Section 149 of the Companies Act, 2013. Presently, the Board of Directors of the Company consists of Four Directors with an optimum combination of Executive, Non Executive and Independent Directors. The Board meets regularly and is responsible for the proper direction and management of the Company.



- ii. None of the Directors on the Board hold directorships in more than ten public companies. Further none of them is a member of more than ten committees or chairman of more than five committees across all the public companies in which he is a Director. As mandated by proviso under Regulation 17A(1) of the Listing Regulations as of March 31, 2021, none of the Independent Directors of the Company served as an Independent Director in more than seven listed entities. Necessary disclosures regarding Committee positions in other public companies as on March 31, 2021 have been made by the Directors. As on March 31, 2021, none of the Directors are related to each other except Mr. Gajraj Jain, Chairman Cum Managing Director is husband of Mrs. Hemlata Jain, Woman Director of the company.
- iii. Independent Directors are non-executive directors as defined under Regulation 16(1)(b) of the SEBI Listing Regulations read with Section 149(6) of the Act along with rules framed thereunder. In terms of Regulation 25(8) of SEBI Listing Regulations, they have confirmed that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties. Based on the declarations received from independent Directors, the Board of Directors has confirmed that they meet the criteria of independence as mentioned under Regulation 16(1)(b) of the SEBI Listing Regulations and that they are independent.
- iv. The dates for the board meetings are fixed after taking into account the convenience of all the directors and sufficient notice is given to them. Detailed agenda and notes thereon are sent to all the directors seven days in advance from the date of Board Meeting. All the information required for decision making are incorporated in the agenda. The Chairman appraised the Board on the overall performance of the Company at every Board Meeting. The Board reviews performance of the Company and sets the strategy for future. The Board takes on record the actions taken by the company on all its decisions periodically.
- v. The composition of the Board, number of meetings held, attendance of the Directors at the Board Meetings and last Annual General Meeting and number of Directorship and Chairmanship/Membership of committees in other companies as on 31st March, 2021 in respect of each Director is given herein below:

| Name of Director | Category | Attendance particulars | | | \$Other Directorships | No. of Share held | No. of Committee positions held in other public limited companies* | |
|---|---|---|---|----------------|-----------------------|-------------------|---|--|
| | | at Board Meetings held during 2020-2021 | At AGM held on 21st September 2020 (though VC/OAVM) | | | | Chairman | Member |
| | | Held | Attended | | | | | |
| Chairman Cum Managing Director Mr. Gajraj Jain | Promoter & Executive | 8 | 8 | Yes | 1 | - | 0 | 0 |
| Directors ^Mr. Prakash Goyal | Independent Non-Executive | 8 | 8 | Yes | 2 | - | Chairman of Audit and NRC Committee of M/s Ekam Leasing and Finance Co. Limited | 0 |
| # Mr. Nishant Goyal (till 20/06/2020) | Independent Non-Executive | 8 | 0 | Not Applicable | - | - | 0 | 0 |
| Mrs. Hemlata Jain | Woman Director Promoter & Non-executive | 8 | 7 | No | 0 | 1278111 | 0 | 0 |
| Mr. Jitendra Kumar Mishra | Independent Non-Executive | 8 | 4 | Yes | 2 | - | Chairman of Audit and Stakeholder Relationship Committee of M/s South West Pinnacle Exploration Limited | Member of NRC Committee of M/s South West Pinnacle Exploration Limited |

**Note:-**

1. No. of other Directorships indicated above is inclusive of Directorship of Private Limited companies.
2. * Only Audit Committee, Stakeholders' Relationship Committee & Nomination & Remuneration Committee is reckoned for this purpose.
3. The Memberships and Chairmanships of Directors in Committees do not include their Memberships and Chairmanships in the Company.
4. # Mr. Nishant Goyal, Independent Director of the company resigned from directorship due to other pre-occupation w.e.f 20th June, 2020
5. ^Mr. Prakash Goyal, Independent Director of the Company ceased from the directorship due to death dated May 01, 2021.
6. Non-Executive Directors of the Company do not hold any shares and convertible instruments in the Company.
7. None of the above Directors are related inter- se except Mrs. Hemlata Jain is the wife of Mr. Gajraj Jain.
8. \$ Gajraj Jain, Director in Katihar Floor Mills Private Limited.
Prakash Goyal was Director in Ekam Leasing and Finance Co. Limited and Alsan Rubber & Chemical Private Limited
Jitendra Kumar Mishra Director in South West Pinnacle Exploration Limited & South West Oil Field Services Private Limited.

B. FAMILIARISATION PROGRAMME FOR BOARD MEMBERS INCLUDING INDEPENDENT DIRECTORS

The Board members are provided with necessary documents, reports to enable them to familiarise with Company's procedures, its mission and vision, etc. Periodic presentation at Board/Committee meetings are made on business and performance of the Company. 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 from him as a Director of the Company. The director is also explained in detail the Compliance required from him under Companies Act, 2013, the Listing Regulations and other various statutes and an affirmation is obtained in this regard. The Chairman and Managing Director also have a one to one discussion with the newly appointed Director to familiarize him with the Company's operations. Further, on an ongoing basis as a part of Agenda of Board/ Committee meetings, presentations are regularly made to the Independent Directors on various matters inter-alia covering the Company's and associates businesses and operations, industry and regulatory updates, strategy, finance, risk management framework, role, rights, responsibilities of the Independent Directors under various statutes and other relevant matters. The details of the familiarization programme for Independent directors are available on the Company's weblink viz., www.cpil.com.

C. CHART SETTING OUT THE SKILLS / EXPERTISE / COMPETENCIES OF THE BOARD OF DIRECTORS

The Board of Directors along with Nomination & Remuneration Committee(NRC), identifies the right candidate with right qualities, skills and practical expertise/competencies required for the effective functioning of individual member to possess and also the Board as a whole. The Committee focuses on the qualification and expertise of the person, the positive attributes, standard of integrity, ethical behavior, independent judgement of the person in selecting a new Board member. In addition to the above, incase of independent directors, the Committee shall satisfy itself with regard to the independence of the directors to enable the Board to discharge its functions and duties effectively. The same are in line with the relevant provisions of the Listing Regulations. The NRC has identified the following core skills, expertise and competency for the effective functioning of the Company which is currently available with the Board:-



- a) **Finance & Accounting Competence**
(Exposure in handling financial management of a large organization along with understanding financial statements)
- b) **Leadership quality in running Large Enterprises**
(Expertise in Leading well-governed Large Organisation with an understanding of organizational Structure and its environment, risk management and emerging Local & global trends)
- c) **Understanding use of latest technology in trading of rubber, coal and agro product sector:-**
(Understanding the use of latest technology across trading sector and ability to anticipate technology driven changes and disruption impacting the business)
- d) **Expertise in understanding of changing regulatory framework**
(Expertise in handling large public companies with high governance standard and understanding of changing regulatory framework)
- e) **Exposure in setting the business Strategies**
(Ability to build up Long term Business strategies to bring growth in business consistently, profitability, competitively and in a sustainable manner in a diverse business environments and changing economic conditions)

Expertise/Skill of individual directors are highlighted below:

| Name of Directors | Area of Expertise | | | | |
|-----------------------|----------------------|--------------------|-------------------|----------------------|---------------------|
| | Finance & Accounting | Leadership quality | latest technology | Regulatory framework | business Strategies |
| Gajraj Jain | ✓ | ✓ | ✓ | ✓ | ✓ |
| Prakash Goyal | ✓ | ✓ | ✓ | ✓ | ✓ |
| Hemlata Jain | ✓ | ✓ | ✓ | ✓ | ✓ |
| Jitendra Kumar Mishra | ✓ | ✓ | ✓ | ✓ | ✓ |

Mr. Prakash Goyal, Independent Director of the Company ceased from the directorship due to death dated May 01, 2021.

D. CONFIRMATION REGARDING INDEPENDENCE OF DIRECTOR

Pursuant to Regulation 149 (6) and Regulation 16(1)(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, declaration of Independence submitted by the Independent Director, the board of the Company confirms that all the independent directors fulfil the conditions specified in Listing Regulations and are independent of the Management & Company.

E. DETAILED REASON REGARDING RESIGNATION OF INDEPENDENT DIRECTOR

Due to other pre-occupation, Mr. Nishant Goyal, Independent Director of the Company resigned from the post of directorship dated 20th June, 2020, there was no material reason regarding the resignation of the same and the confirmation regarding the same as received from the director was already submitted at www.bseindia.com.



F. BOARD MEETING

The Board meets at least once in a quarter to review the Company's quarterly performance and Financial Results.

During the Financial year ended March 31, 2021, the Board met 8 (Eight) times on 20th June, 2020, 07th August, 2020, 29th September, 2020, 16th October, 2020, 06th November, 2020, 29th December, 2020, 20th January, 2021 and 23rd March, 2021. The necessary quorum was present for all the meetings. The maximum gap between any two meetings was not more than one hundred and twenty days.

3. COMMITTEES OF THE BOARD

The Board Committees play a vital role in ensuring sound Corporate Governance practices. The Committees are constituted to handle specific activities and ensure speedy resolution of the diverse matters. The Board Committees are set up under the formal approval of the Board to carry out clearly defined roles under which are considered to be performed by members of the Board, as a part of good governance practice. The Board supervises the execution of its responsibilities by the Committees and is responsible for their action. The minutes of the meetings of all the Committees are placed before the Board for review. As on date, the Board has established the following Committees:

- I. Audit Committee
- II. Nomination and Remuneration Committee
- III. Stakeholders' Relationship Committee
- IV. Corporate Social Responsibility Committee (Constituted w.e.f. 25th June, 2021)

I. AUDIT COMMITTEE:



- (A) The Audit Committee of the company consisted of two Non-Executive Independent Directors and one whole Time director. The Chairman of the committee is an independent Director having financial and accounting knowledge. The Senior Management team i.e. Managing Director, the Head of Internal Audit and the representative of the statutory auditors are invited for the meetings of the Audit Committee.

The Auditors of the Company are invited to participate in the meetings of Audit Committee wherever necessary.



There was no change in the composition of Audit Committee during the Financial Year 2020-21. The Composition of the committee as follow:-

| Name of Director | Designation |
|---------------------------|-------------|
| Mr. Prakash Goyal* | Chairman |
| Mr. Gajraj Jain | Member |
| Mr. Jitendra Kumar Mishra | Member |

*Mr. Prakash Goyal, Independent Director of the Company ceased from the directorship due to death dated May 01, 2021 and subsequently ceased to be the chairman of Audit Committee and the board had reconstituted the Audit Committee on 25th June, 2021 and Jitendra Kumar Mishra has been appointed as Chairman and Mr. Tilak Raj Goyal as the member of Audit Committee w.e.f. 25th June, 2021.

At Present, the Composition of the Audit committee as follows:-

| Name of Director | Designation |
|---------------------------|-------------|
| Mr. Jitendra Kumar Mishra | Chairman |
| Mr. Gajraj Jain | Member |
| Mr. Tilak Raj Goyal | Member |

(B) Meeting / Attendance

During the financial year ended 31st March 2021 the Audit Committee of the company met four times. The dates of the meetings were 20th June, 2020, 07th August, 2020, 16th October, 2020 and 20th January, 2021.

Attendance of Directors at committee meetings is shown below:

| Name of the Director | Designation | Attendance at Committee Meeting | |
|---------------------------|-------------|---------------------------------|----------|
| | | Held | Attended |
| Mr. Prakash Goyal | Chairman | 4 | 4 |
| Mr. Jitendra Kumar Mishra | Member | 4 | 4 |
| Mr. Gajraj Jain | Member | 4 | 4 |

The requisite quorum was present at all meetings.

The Company Secretary functions as the Secretary of the Committee.

The Minutes of the Meetings of the Audit Committee are discussed and taken note of by the Board of Directors.

The Chairman of the Audit Committee was present at the 35th Annual General Meeting of the Company held on September 21, 2020 to answer member queries.

(C) Terms of Reference:

In accordance with Section 177(1) of the Companies Act, 2013 and as per the requirements of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, the Board of director have approved terms of reference for the Audit Committee and thereupon the revised terms of reference of the Audit Committee are in conformity with the required Regulation 18 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and Section 177(1) of the Companies Act, 2013. Further the Audit Committee has been granted powers as prescribed under Regulation 18(2) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.



Extract of Terms of Reference:-

- Review of financial reporting process.
- Reviewing with the management, the annual financial statements and auditors' report thereon before submission to the board for approval.
- Evaluation of internal financial controls and risk management systems.
- Recommendation for appointment, remuneration and terms of appointment of auditors of the Company.
- Review and monitor the Auditor's independence, performance and effectiveness of audit process.
- Discussing with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.

II. NOMINATION AND REMUNERATION COMMITTEE



The Company through its Board of Directors has constituted Nomination and Remuneration Committee (hereinafter referred as "NRC") in terms of Regulation 19 (1) of the Listing Regulations. The terms of reference of NRC include the matters specified under Regulation 19 (4) the Listing Regulations as well as in Section 178 of the Act.

- (A) The Remuneration Committee consists of three non-executive Independent Directors during the financial year 2020-21.

During the Financial Year 2020-21 Mr. Nishant Goyal resigned from Directorship on June 20, 2020 and subsequently ceased to be the member of NRC Committee and the board had reconstituted the NRC Committee on 20th June, 2020 and Mrs. Hemlata Jain has been appointed in place of Mr. Nishant Goyal as the member of Nomination and Remuneration Committee w.e.f. 20th June, 2020. The composition of the Nomination and remuneration committee is as under :

| Name of Director | Designation |
|---------------------------|-------------|
| Mr. Prakash Goyal ** | Chairman |
| Mrs. Hemlata Jain | Member |
| Mr. Jitendra Kumar Mishra | Member |

**Further, Mr. Prakash Goyal, Independent Director of the Company ceased from the directorship due to death dated May 01, 2021 and subsequently ceased to be the chairman of NRC Committee and the board had reconstituted the NRC Committee on 25th June, 2021 and Jitendra Kumar Mishra has been appointed as Chairman and Mr. Tilak Raj Goyal as the member of Nomination and Remuneration Committee w.e.f. 25th June, 2021.



At Present, the composition of the Nomination and remuneration committee is as under :

| Name of Director | Designation |
|---------------------------|-------------|
| Mr. Jitendra Kumar Mishra | Chairman |
| Mrs. Hemlata Jain | Member |
| Mr. Tilak Raj Goyal | Member |

(B) Meeting / Attendance

During the financial year ended 31st March, 2021 the Nomination and Remuneration Committee of the company met onetime. The date of the meeting was **20th June, 2020**.

The Attendance of Nomination and Remuneration Committee is as follows:-

| Name of the Director | Designation | Attendance at Committee Meeting | |
|---------------------------|-------------|---------------------------------|----------|
| | | Held | Attended |
| Mr. Prakash Goyal | Chairman | 1 | 1 |
| Mr. Jitendra Kumar Mishra | Member | 1 | 1 |
| Mr. Nishant Goyal* | Member | 1 | 0 |
| Mrs. Hemlata jain** | Member | 1 | NA |

* Mr.Nishant Goyal resigned from Board and ceased from the membership of NRC Committee w.e.f June 20,2020.

**Mrs. Hemlata Jain was appointed as member of the Committee dated 20th June, 2020.

(C) Terms of Reference:

The terms of reference of the Remuneration Committee includes fixation of salary, perquisites etc. of Managing/ Executive Directors and for recommending the amount of commission payable to Executive Directors.

The broad terms of reference of the nomination and remuneration committee are as under:

- Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
- Formulation of criteria for evaluation of Independent Directors and the Board;
- Devising a policy on Board diversity;
- Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal. The company shall disclose the remuneration policy and the evaluation criteria in its Annual Report.

The nomination and remuneration committee of the Company is constituted in line with the provisions of Regulation 19 of SEBI Listing Regulations, read with Section 178 of the Companies Act, 2013.

(D) Remuneration of Managing Director/Whole Time Directors

The NRC has formulated a Policy on Appointment, Training, Evaluation and Remuneration of Directors and Senior Management Personnel (SMP) :

- At the time of appointment or re-appointment of the Managing Director/Executive Director/ Whole Time Director, such remuneration shall be paid as may be mutually agreed between the Company (which includes the Nomination and Remuneration Committee and the Board of Directors) and the Managing Director /Executive Director / Whole Time Director within the overall limits prescribed under the Companies Act, 2013.



2. The remuneration shall be subject to the approval of the Members of the Company in General Meeting.
3. The remuneration of the Managing Director/Executive Director/Whole Time Director are broadly divided into Basic Salary, Allowances, perquisites, amenities, retirement benefits and commission (subject to availability of profits).
4. In determining the remuneration, the Nomination and Remuneration Committee shall ensure/ consider the following :
 - a. The relationship of remuneration and performance benchmark is clear.
 - b. Responsibility required to be shouldered by the Managing Director/ Executive Director/Whole Time Directors, the industry benchmarks and the current trends.

(E) Directors Remuneration:

Details of remunerations paid to the Directors are also given in MGT-9 Annexure II to Board's report.

The remuneration paid to the Managing Director was duly recommended by the NRC and approved by the Board of Directors. The following are the details of the remuneration paid to Managing/Executive Directors during the Financial Year under discussion:

| Name of the Director | Designation | Remuneration (Rs.) | Perquisites |
|----------------------|--------------------------------|--------------------|-------------|
| Mr. Gajraj Jain | Chairman Cum Managing Director | NIL | NIL |

Non Executive Directors of the company were not paid any remuneration during the year under review, however sitting fees was paid to Independent Director.

As per Regulation 19(3) of the Listing Regulations, the Chairman of the NRC shall be present at the Annual General Meeting (AGM) to answer shareholders' queries. Mr. Prakash Goyal, the Chairman of the NRC has attended the Annual General Meeting of the Company held on September 21, 2020, to answer the queries of the shareholders.

The Company Secretary functions as the Secretary of the Committee.

The NRC reviews the remuneration payable to the MD/WTM/KMP and Commission payable to the Non-Executive Directors and recommends it to the Board.

The NRC has formulated a Policy on Appointment, Training, Evaluation and Remuneration of Directors and Senior Management Personnel (SMP) available on the website of the company.

(F) Performance Evaluation Criteria for Independent Directors:

The performance evaluation criteria for independent directors are determined by the Nomination and Remuneration Committee. An indicative list of factors that were evaluated include board composition & quality, commitment to the Company's vision, level of participation at Board/Committee Meeting, level of engagement and contribution, Independence of judgment, understanding duties, responsibilities, qualifications, disqualifications and liabilities as an independent director, up-to-date knowledge / information pertaining to business of the Company in which the Company is engaged in, implementation of good corporate governance practices, enhancing long term shareholders' value, professional approach, openness to ideas, providing guidance and counsel to senior management in strategic matters and rendering independent and unbiased opinion at the meetings etc., monitoring the company's internal controls & review compliance Reports on applicable laws, regulations and guidelines.



III. STAKEHOLDERS RELATIONSHIP COMMITTEE



- (A) Pursuant to Regulation 20 of SEBI(LODR) Regulation, 2015, the Stakeholders Relationship Committee(hereinafter referred as “SRC Committee”)shall consist of a Chairperson who shall be a Non-Executive Director and other members of the committee shall be as decided by the Board.

During the year 2020-21, Mr. Nishant Goyal resigned from the board and ceased to be the Chairmanship of SRC Committee w.e.f June 20, 2020. Thereafter the board had reconstituted the committee and change the Composition of the Committee and Mr. Prakash Goyal was appointed as Chairman and Mrs. Hemlata Jain as the member of SRC Committee w.e.f June 20, 2020. The Composition of the Committee as follow:

| Name of Director | Designation |
|--------------------|-------------|
| Mr. Prakash Goyal* | Chairman |
| Mrs Hemlata Jain | Member |
| Mr. Gajraj Jain | Member |

*Mr. Prakash Goyal, Independent Director of the Company ceased from the directorship due to death dated May 01, 2021 and subsequently ceased to be the chairman of SRC Committee and the board had reconstituted the SRC Committee on 25th June, 2021 and Mrs. Hemlata Jain has appointed as Chairperson and Mr. Jitendra Kumar Mishra as the member of Stakeholder Relationship Committee w.e.f. 25th June, 2021.

At present the composition of Stakeholder Relationship Committee is as under:-

| Name of Director | Designation |
|---------------------------|-------------|
| Mrs Hemlata Jain | Chairman |
| Mr. Jitendra Kumar Mishra | Member |
| Mr. Gajraj Jain | Member |

(B) Meeting / Attendance

The Stakeholders Relationship committee met on 16th October, 2020 to redress the grievances of the security holders of the Company. All the members of the committee were present in these meetings.



| Name of the Director | Designation | Attendance at Committee Meeting | |
|----------------------|-------------|---------------------------------|----------|
| | | Held | Attended |
| Mr. Prakash Goyal | Chairman | 1 | 1 |
| Mrs Hemlata Jain | Member | 1 | 1 |
| Mr. Gajraj Jain | Member | 1 | 1 |

(B) Terms of Reference:-

The Committee reviews and deals with the complaints and queries received from the investors. This committee also consider and resolve security holder related matters i.e, consider and approve issue of share certificates (including issue of renewed and duplicate share certificates), transfer and transmission of securities, etc.

The SRC is constituted in line with the provisions of SEBI (Listing Obligations And Disclosure Requirement) Regulations, 2015 read with section 178 of the Companies Act, 2013.

The Committee deals with the following matters:

- Noting of transfer/transmission of shares.
- Review of dematerialized /rematerialised shares and all other related matters.
- Monitors expeditious redressal of Investor grievance matters received from Stock Exchanges, SEBI, ROC, etc.
- Monitors redressal of queries/complaints received from members relating to transfers, non-receipt of annual report, dividend, demat/remat requests.
- All other matters related to shares/debentures.

The Shareholders grievance committee met during financial year **2020-2021** to monitor the grievances of the security holders of the Company. All the members of the committee were present in the meeting.

Continuous efforts are made to ensure that grievances are more expeditiously redressed. SEBI Complaints Redress System (SCORES) SEBI administers a centralized web-based complaints redress system (SCORES). It enables investors to lodge and follow up complaints and track the status of online redressal. All the activities starting from lodging of a complaint till its disposal are carried online in an automated environment and the status of every complaint can be viewed online at any time. The Company has registered itself on SCORES and endeavours to resolve all investor complaints received through SCORES within the stipulated period of receipt of the complaint. All requests received for Share Transfer during the year were given effect within stipulated time.

- **Name, designation and address of Compliance Officer:**

Ms. Komal
Company Secretary & Compliance Officer
Chandra Prabhu International Limited
522, Fifth Floor, DLF Galleria Commercial Complex,
DLF City Phase IV, Gurugram, Haryana, 122009

*Mrs. Mansi Mehta, Company Secretary & Compliance Officer has been designated as compliance officer to monitor the share transfer process and liaison with the regulatory authorities. Mrs Mansi Mehta resigned and relieved from the Post of Company Secretary & Compliance Officer of the Company dated 25th March, 2020. Further the Company has appointed Ms. Komal as Company Secretary & Compliance Officer of the Company and has been designated as compliance officer to monitor the share transfer process and liaison with the regulatory authorities w.e.f June 20, 2020.

- **Stakeholders Grievance Redressal:**

During the year ended March 31, 2021, No Shareholders' Complaints were received. There were no outstanding complaints at the end of the year.



| Number of shareholders complaints received | Number of shareholders complaints resolved | Number of shareholders complaints pending |
|--|--|---|
| NIL | NIL | NIL |

IV. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE (Constituted w.e.f 25/06/2021)

During the FY 2020-21, the Company was not required to formulate Corporate Social Responsibility (CSR) Policy and Committee but as per the Audited Financial Statement as 31st March 2021, the net profit of the Company exceeds Rs. 5 Cr. and the provision of Section 135 of the Companies Act, 2013 (CSR) became applicable to the Company for the FY 2021-22 and the Board of Directors in its Board Meeting held on 25th June, 2021 had constituted the CSR Committee. The Corporate Social Responsibility (CSR) Committee has been constituted in line with the provisions of Section 135 of the Act and the rules as amended made thereunder..The Composition of the Committee as follow:



| Name of Director | Designation |
|---------------------------|-------------|
| Mr. Gajraj Jain | Chairman |
| Mrs Hemlata Jain | Member |
| Mr. Jitendra Kumar Mishra | Member |

Terms of reference

The terms of reference of the CSR Committee broadly comprises of:

1. Formulating and recommending to the Board of Directors the CSR Policy and monitoring the same from time to time.
2. The Committee will review and evaluate the sustainability agenda, suggest modifications, discuss and recommend action plan to take the CSR activities forward.
3. CSR Committee will monitor the spend on CSR activities by the Company as well as ensure that the Company spends at least the minimum sum as may be prescribed from time to time pursuant to the Act and Companies (Corporate Social Responsibility Policy) Rules, 2014 or such higher sum as may be decided by the Board of Directors of the Company.

CSR POLICY

The CSR Policy of the Company shall be made available on its website at www.cpil.com in due course.

4. INDEPENDENT DIRECTORS MEETING:

As per Regulation 17(1) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, as well as pursuant to Section 149(8) of the Companies Act, 2013 read with Schedule IV and in accordance with the Policy on Appointment, Training, Evaluation and Remuneration of Directors and Senior Management Personnel, the Independent Directors have, at their meeting held on **20th January, 2021**.

- (a) Reviewed the performance of Non-Independent Directors and the Board as a whole;
- (b) Reviewed the performance of the Chairperson taking into account the views of Executive Directors (EDs) and Non Executive Directors (NEDs) and
- (c) Assessed the quality, quantity and timelines of flow of information between the Company Management and the Board.



Meeting / Attendance

During the financial year ended 31st March, 2021 the Independent Directors meeting of the company met onetime. The date of the meeting was **20th January, 2021**.

The Attendance of the Independent Directors meeting is as follows:-

| Name of the Director | Designation | Attendance at Committee | Meeting |
|---------------------------|----------------------|-------------------------|----------|
| | | Held | Attended |
| Mr. Prakash Goyal | Independent Director | 1 | 1 |
| Mr. Jitendra Kumar Mishra | Independent Director | 1 | 1 |
| Mr. Nishant Goyal* | Independent Director | 1 | NA |

*Mr. Nishant Goyal, Independent Director of the Company resigned from the directorship dated 20/06/2020.

5. DETAILS ON GENERAL BODY MEETINGS

AGM

Annual General Meeting

(A) The last three Annual General Meetings of the company were as follows:-

| S. NO. | Financial Year | Date of AGM | Place of AGM | Time | Whether any Special Resolution passed |
|--------|----------------|--------------------|---|------------|--|
| 1. | 2019-20 | September 21, 2020 | Meeting Held by way of Video Conferencing/Other Audio-Visual Means (OAVM) | 11:00 A.M. | No |
| 2. | 2018-19 | September 28, 2019 | Satvik by Chabra Farms, Pushpanjali Farms, G -1, Dwarka Link Road, Near Tivoli, Bijwasan, New Delhi - 110037. | 10:00 A.M. | <ul style="list-style-type: none"> Re-appointment of Mr. Prakash Goyal (DIN: 02598736) as Independent Director of the Company. Re-appointment of Mr. Nishant Goyal (DIN: 06541748) as Independent Director of the Company. Approve the Borrowing Limit of the Company under Section 180(1)(c) of the Companies Act, 2013. |
| 3. | 2017-18 | September 28, 2018 | Madhu Farm House, Jain Colony, Near Balajee Properties, Thane Vala Road, Bhalaswa Dairy, New Delhi - 110042. | 10:00 A.M. | No |



(A) Extra-Ordinary General Meeting:- N.A

(B) Postal Ballot :-

During the year under review, the Company has not passed any resolution through Postal Ballot in accordance to the procedure prescribed in Section 110 of the Companies Act, 2013 Act read with the Companies (Management and Administration) Rules, 2014.

Procedure of Postal Ballot:

- i. Appointment of Scrutinizer who is not in the employment of the Company.
- ii. Notice of postal ballot along with the explanatory statement to shareholders by following modes:
 - a. By registered post or speed post or,
 - b. Through electronic means like registered email id or,
 - c. Through courier service for facilitating the communication of the assent or dissent of the shareholder to the resolution within period of (30) thirty days.
- iii. Advertisement in one English newspaper and in one vernacular language newspaper in the principal vernacular language of the district in which the registered office of the company is situated.
- iv. Notice should also be placed on the website of the Company.
- v. Declaration of results by the Scrutinizer after following due process.

Proposed Postal Ballot:

The Company does not have any plans to pass any resolution through postal ballot.

6. MEANS OF COMMUNICATION:

- (a) Annual Report containing financial statements, Board's Report, Management Discussion & Analysis (MD&A) Report, Auditor's Report and other information are circulated to members and others who are entitled to it. The Annual Report is also available on the website of the company at www.cpil.com.



(i) Website

The Company's website www.cpil.com contains an exclusive head "Investor" where shareholder information is available. Quarterly and Annual Financial results, annual report, notice of AGM, Shareholding Pattern, Corporate Governance report etc. are also available on the website

ii) Annual Report

Annual Report for FY 2019-20 containing inter alia, Audited Financial Statements, Boards' Report, Management Discussion and Analysis and Corporate Governance Report etc. was sent to all Members through courier/post, who had not registered their email address and via email to all shareholders who have provided their email addresses. Annual Reports are also hosted on the website of the Company

- (b) Half yearly and Quarterly results are submitted to the Stock Exchange in accordance with SEBI(LODR) 2015 and the same are published regularly in the newspapers i.e. Financial Express (English) and Hari Bhoomi (Hindi) and also updated on the Website of the Company.



- (c) The website also displays all official press releases issued by the Company, if any. The Company disseminate all price sensitive information into the public domain by way of intimating the same to stock exchanges, i.e. BSE Ltd immediately. The same is also displayed on the Company's website.
- (d) Shareholders who have not registered their email addresses are requested to do so for receiving communications from the Company. Shareholders who are holding shares in a physical form can update their email addresses by writing a letter to the Company's RTA M/s Alankit Assignment Limited under the signature of the first named Shareholders who are holding shares in a demat form can do so by contacting their Depository Participant.

7. GENERAL SHAREHOLDER INFORMATION:

| | | |
|------|---|--|
| I | Date, Time & Venue of AGM | The forthcoming 36th Annual General Meeting of your Company will be held on Tuesday, the 21 st September, 2021 through Video Conferencing ("VC") or Other Audio Visual Means ("OAVM") at common venue but shall be deemed to be held at its Registered Office at 12:00PM. The Notice for holding the said Annual General Meeting along with Annual Report etc. shall be only emailed to members. Members are requested to use the option of e-voting on proposed resolutions through facilities provided by National Securities Depository Ltd.(NSDL) with procedure as detailed in the Notice convening the Annual General Meeting. Those who do not use E-Voting facility during the E-voting period can cast their Votes online at the time of the AGM. Members holding shares are again requested to register their email address with RTA/their own depositories so that they can receive the Annual Report and any other communication from the company through email. They are also requested to complete their KYC with PAN and BANK A/c details as it is made mandatory by SEBI. |
| II | Financial Calendar | |
| | Financial Year | April 01, 2021 to March 31, 2022 |
| | First Quarter Results | By 30 th July, 2021 |
| | Second Quarter Results | By 10 th of November, 2021 |
| | Third Quarter Results | By 11 th of February, 2022 |
| | Fourth Quarter & Annual Year Ended March, 31, 2019 | By 28 th of May, 2022 |
| III | Book Closure | The register of Member will remain closed for transfer from 15th Day of September, 2021 (Wednesday) till 21st Day of September, 2021 (Tuesday). |
| IV | Listing | The Company's Share are listed and traded on Bombay Stock Exchange 1 st Floor, New Trading Ring, Rotunda Building, P J Towers, Dalal Street, Fort, Mumbai- 400 001 |
| V | Stock Code | 530309(BSE) |
| | ISIN No.(Demat No.) | INE 368D01017 |
| | NSDL & CDSL | |
| VII | Registrar and Share Transfer Agents: | Alankit Assignment Ltd. 4E/2, Jhandewalan Extension, New Delhi- 110055 Ph: 011- 42541234/23541234 Fax: 011- 23552001 E-mail: rta@alankit.com Website: www.alankit.com |
| VIII | Dividend Payment Date (for the financial year 2020-21) | The Board of Directors of the Company has recommended the Final Dividend of Rs. 1.00 per Equity Shares (10% of the Face Value of Rs. 10/- each) for the F.Y 2020-21 which shall be payable on or before 20.10.2021) |

IX. Market Price Data:

During the financial year under review, High/ Low prices of the equity shares of the Company on the Stock Exchange, Mumbai during each month is as follows:





| Month | High (Rs.) | Low (Rs.) |
|-----------------|------------|-----------|
| April, 2020 | 15.22 | 13.80 |
| May, 2020 | 15.20 | 14.45 |
| June, 2020 | 19.65 | 15.20 |
| July, 2020 | 19.65 | 15.50 |
| August, 2020 | 16.80 | 15.05 |
| September, 2020 | 16.75 | 12.80 |
| October, 2020 | 24.60 | 14.50 |
| November, 2020 | 28.40 | 20.10 |
| December, 2020 | 26.05 | 20.00 |
| January, 2021 | 26.40 | 20.40 |
| February, 2021 | 31.35 | 22.05 |
| March, 2021 | 46.40 | 31.60 |

(X) SHARE TRANSFER SYSTEM

The Company has authorised RTA for transmission/ dematerialisation/re-materialisation etc., who process the formalities related thereto, on an average of once a week. The share certificates are returned/dispatched to the shareholders by the RTA after necessary endorsements, normally within 15 days from the date of receipt. Delays, if any, are mostly due to differences in signature and/or non-receipt of copy of PAN.

The Company obtains a half-yearly certificate from Practicing Company Secretaries as per the requirement of Regulation 40 (9) of Listing Regulations and the same is filed with the Stock Exchanges and is available on the website of the Company.

In terms of amendments to Regulation 40 of Listing Regulations w.e.f. 1st April, 2019, transfer of securities in physical form has been stopped by SEBI. SEBI has given the following clarifications:

1. The above decision does not prohibit the investor from holding the shares in physical form; investor has the option of holding shares in physical form even after April 01, 2019.
2. Any investor who is desirous of transferring shares (which are held in physical form) after April 01, 2019 can do so only after the shares are dematerialized. The above decision by SEBI is not applicable for demat of shares, transmission (i.e. transfer of title of shares by way of inheritance/succession and transposition (i.e. re-arrangement/interchanging of the order of name of shareholders) cases.

The Company has appointed Alankit Assignments Limited as its Registrar and Share Transfer Agent (RTA). All share transfer and related operations are conducted by RTA which is registered with the SEBI. The RTA has adequate infrastructure to serve the shareholders and process the share transfer.

(XI) SHARE CAPITAL AUDIT

The Share Capital Audit as required under Regulation 76 of SEBI (Depositories and Participants) Regulations, 2018, read with SEBI Circular No. D&CC/FITT C/Cir-16/2002 dated December 31, 2002 and SEBI Circular No. CIR/MRD/ DP/30/2010, a Qualified Practicing Company Secretary carries out Capital Audit to reconcile the total admitted equity capital with National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL) and the total issued and listed equity capital. This audit is carried out every quarter and the reconciliation of share capital audit report thereon is submitted to the Stock Exchanges and to the Board of Directors.



(XII) Distribution of Share holding :

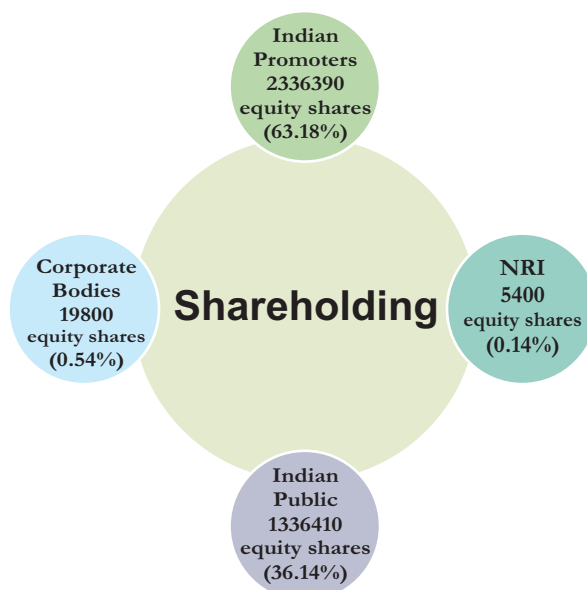
(A) Distribution of Share holding as on 31st March, 2021

| No. of Shares held | Shareholders | | No. of Shares | |
|--------------------|--------------|------------|---------------|------------|
| | Number | % to Total | Shares | % to Total |
| Upto 5000 | 1415 | 96.98 | 588530 | 15.91 |
| 5001 – 10000 | 18 | 1.23 | 139418 | 3.77 |
| 10001 – 20000 | 09 | 0.62 | 143582 | 3.88 |
| 20001 – 30000 | 05 | 0.34 | 139550 | 3.77 |
| 30001 – 40000 | 04 | 0.27 | 128275 | 3.47 |
| 40001 – 50000 | 01 | 0.07 | 43255 | 1.17 |
| 50001 – 100000 | 02 | 0.14 | 181619 | 4.91 |
| 100000 and above | 05 | 0.34 | 2333771 | 63.11 |
| Total | 1459 | 100 | 3698000 | 100 |

(B) Shareholding Pattern as on 31st March, 2021 :

| Categories | No. of Shares | % of Shareholding |
|---------------------------|---------------|-------------------|
| Indian Promoters | 2336390 | 63.18 |
| Persons Acting in Concert | - | - |
| Institutional Investors | - | - |
| Corporate Bodies | 19800 | 0.54 |
| Indian Public | 1336410 | 36.14 |
| Non Resident Indians. | 5400 | 0.14 |
| Total | 3698000 | 100 |

Those shareholders who wish to know more about the same may contact the company's Registrar and Share Transfer Agent or Share Department of the company.



**(XIII) DEMAT**

The Company has set up requisite facilities for dematerialization of its equity shares in accordance with the provisions of Depository Act, 1996 with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). The Company has entered into agreements with both the depositories. International Securities Identification Number (ISIN) for equity shares is INE 368D01017. The status of dematerialization as on 31st March, 2021 is as under:



| Mode | No. of Share | % |
|--------------------------------|----------------|-------------|
| 1. Dematerialization Form CDSL | 578958 | 15.66% |
| NSDL | 3038636 | 82.17% |
| Sub Total | 3617594 | 97.83% |
| 2. Physical | 80406 | 2.17% |
| Total | 3698000 | 100% |

As on 31st March, 2021 **36,17,594 Equity Shares** of the Company have been dematerialized representing **97.83%** of the total Paid up Equity Share Capital.

(XIV) Outstanding GDRs/ADRs/Warrants or any convertible instruments, conversion date and likely impact on equity:

The Company has not issued any GDRs/ADRs/Warrants or any convertible instruments in the past and hence, as on March 31, 2021, the Company does not have any outstanding GDRs/ADRs/Warrants or any convertible instruments.

(XV) Commodity price risk or foreign exchange risk and hedging activities:

The Company does not deal in commodities and hence the disclosure pursuant to SEBI Circular dated November 15, 2018 is not required to be given.

(XVI) Plant Location: Not Applicable**(XVII) Address for correspondence :**

Shareholder Correspondence may be addressed to:

| | | |
|--|----|--|
| <p>Registered Office: Secretarial Department Chandra Prabhu International Ltd. 14, Rani Jhansi Road, New Delhi 110 055</p> <p>Corporate Office: 522, Fifth Floor, DLF Galleria Commercial Complex, DLF City Phase IV, Gurugram, Haryana, 122009</p> <p>Email: info@cpil.com, cs@cpil.com Phone : +91-124-44754936</p> | OR | <p>Registrar & Transfer Agent Alankit Assignment Ltd. 4E/2, Jhandewalan Extension, New Delhi- 110 055</p> <p>Ph : 011- 42541234/23541234 E-mail: rta@alankit.com</p> |
|--|----|--|



(XVIII) CODE OF CONDUCT

The Company has formulated and implemented a comprehensive Code of Conduct for the Board of Directors and Senior and Senior Management of the Company. This code is a comprehensive code applicable to Executive as well as Non-Executive Directors and Members of the Senior Management. A copy of the Code has been hosted on the Company's website i.e www.cpil.com. The necessary declaration by the MD/CEO as required under Regulation 34(3) read with Schedule V (D) of the Listing Regulations regarding adherence to the Code of Conduct has been obtained for FY 2020-21 and a declaration to this effect for part of the report. All the board members and senior management personnel have affirmed compliance with the code for the financial year ended 31st March, 2021. The Code of Ethics is aimed at maintaining the professional and ethical standards in the functioning of the Company

8. DISCLOSURES:



I. RELATED PARTY TRANSACTION:

There have been no materially significant related party transactions with the company's promoters, directors, the management, their subsidiaries or relatives which may have potential conflict with the interests of the company at large. The necessary information regarding related party transactions are given in the notes to accounts. The Company has also formulated a policy on dealing with the Related Party Transactions and necessary approval of the audit committee and Board of directors were taken wherever required in accordance with the Policy.

II. COMPLIANCES:

DETAILS OF NON-COMPLIANCE BY THE COMPANY, PENALTIES, STRUCTURES IMPOSED ON THE COMPANY BY STOCK EXCHANGE(S) OR SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI) OR ANY OTHER STATUTORY AUTHORITY OR ANY MATTERS RELATED TO CAPITAL MARKETS.

There were no penalties, structures imposed on the company by the Stock Exchange or SEBI or any Statutory Authority or any matter related to Capital Market during the last three years.

III. WHISTLE BLOWER POLICY (VIGIL MECHANISM):

The Company has adopted a whistle blower policy and has established the necessary vigil mechanism for employees and directors to report concerns about unethical behavior. No person has been denied access to the chairman of the audit committee. The said policy has been also put up on the website of the company.

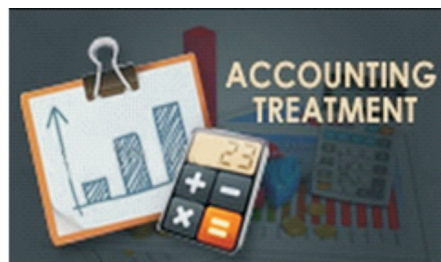


IV. DETAILS OF COMPLIANCE WITH MANDATORY REQUIREMENT

As per Regulation 34 of SEBI (LODR) Regulations, 2015 read with Schedule V mandates the company to obtain a certificate from either the auditors or Practicing Company Secretaries regarding compliance of conditions of Corporate Governance as stipulated in the said Clause and annex the certificate so obtained with the Directors' Report. The Company has obtained a certificate from its Practicing Company Secretary to this effect and the same are annexed to the Board's Report.

V. DISCLOSURE OF ACCOUNTING TREATMENT

The company has followed the Indian Accounting standards (IND-AS) specified under Section 133 of the Companies Act 2013 in the preparation of the financial statements. The significant accounting policies which are consistently applied are set out in the Notes to the Financial Statements.



VI. DISCLOSURE OF RISK MANAGEMENT

The Company has laid down procedures to inform Board members about the risk assessment and minimization procedures. These procedures are periodically reviewed to ensure that executive management controls risks through means of a properly defined framework.

VII. OTHER DISCLOSURES

- **CODE OF PRACTICE AND PROCEDURE AS REQUIRED UNDER SECURITIES AND EXCHANGE BOARD OF INDIA (PROHIBITION OF INSIDER TRADING) REGULATIONS, 2015**

In terms of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 as amended from time to time, the Code of practice and procedure for fair disclosures of unpublished price sensitive information and code of conduct to regulate, monitor and report trading by its employees and other connected persons is approved by Board of Directors of the Company.

The Company had adopted a "Code of Conduct for insider trading" in accordance with the SEBI (Prohibition of Insider Trading) Regulations, 2015 on April 1, 2019. The code is applicable to promoters and promoter's Group, all Directors and such Designated Employees who are expected to have access to unpublished price sensitive information relating to the Company. The Company Secretary is the Compliance Officer for monitoring adherence to the said regulation. The Company has also formulated 'The code of Practices and procedures for fair disclosure of Unpublished Price Sensitive Information' in compliance with SEBI (Prohibition of Insider Trading) Regulations, 2015 and this code is displayed on the Company's website viz., www.cpil.com.

- **PECUNIARY RELATIONSHIP OR TRANSACTIONS OF THE NON-EXECUTIVE DIRECTORS AND DISCLOSURES ON THE REMUNERATION OF THE DIRECTORS**

All pecuniary relationship or transactions of the Non-Executive Directors vis-a-vis the Company, along with criteria for such payments and disclosures on the remuneration of the Directors along with their shareholding are disclosed in Form MGT-9 which forms a part of this Report.



- **INTER SE RELATIONSHIPS BETWEEN DIRECTORS**

There has been no inter se relationship between directors during the Financial Year 2020-21 except Mr. Gajraj Jain, Chairman Cum Managing Director of the company who is the husband of Mrs. Hemlata Jain (Mrs. Hemlata Jain appointed as Woman Director on the Board of the company).

- **FAMILIARIZATION PROGRAMME FOR INDEPENDENT DIRECTORS**

Pursuant to the Code of conduct for Independent Directors specified under the Companies Act 2013 and as per regulation of Stock Exchanges, the Company has framed a familiarization programme for all its independent Directors to familiarize them on their roles, rights and responsibilities in the Company, the nature of the industry in which the company operates and its business model.

- **SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS**

There are no significant material orders passed by the Regulators / Courts which would impact the going concern status of the Company and its future operations.

There were no penalties, strictures imposed on the company by the Stock Exchange or SEBI or any Statutory Authority or any matter related to Capital Market during the last three years.

- **OUTSTANDING GDRS / ADRS / WARRANTS OR ANY CONVERTIBLE INSTRUMENTS**

As of March 31, 2021, the Company does not have any outstanding convertible instruments, which are likely to have an impact on the equity of the Company.

- **DETAILS REGARDING SEXUAL HARASSMENT OF WOMAN AT WORKPLACE**

During the year, no complaint was received to the board, as per Policy on Anti Sexual Harassment of the Company, under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

- **DETAILS REGARDING UNCLAIMED AMOUNT OF DIVIDEND**

The detail of unclaimed amount of dividend and its transfer into IEPF is provided in the Board's Report.

- **DETAILS REGARDING FINAL DIVIDEND FOR THE FY 2020-21**

The Company provides the facility of direct credit of dividend to the Member's bank account. Listing Regulations also mandate Companies to credit the dividend to the members electronically. Members holding shares in Demat/Physical mode whose Bank details for receiving dividend are not registered/updated are requested to register/update the same by following the procedure as mentioned in the Notice of the AGM. Members are therefore urged to avail this facility to ensure safe and speedy credit of their dividend into their Bank account.

If the Company is unable to pay the dividend to any Member by electronic mode due to non-registration of bank account, the Company shall dispatch the dividend warrant / cheque to such Members at the earliest.

- **RECOMMENDATIONS OF COMMITTEES OF THE BOARD**

There were no instances during the financial year 2020-21, wherein the Board had not accepted recommendations made by any committee of the Board.



- **POLICY FOR DETERMINING MATERIAL SUBSIDIARIES**

The Company does not have any material listed/ unlisted subsidiary companies as defined in Regulation 24 (1) of Listing Regulations. However, the Company has formulated a policy for determining a “material” subsidiary, the details of which is available on the website of the Company at www.cpil.com.

- **POLICY & DISCLOSURE REGARDING RELATED PARTY TRANSACTION**

Pursuant to Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has formulated a policy regarding related party transaction and has made the disclosure regarding related party transaction to the Stock Exchange. The details of which is available on the website of the Company at www.cpil.com

- **CEO/CFO CERTIFICATE**

In terms of regulation 17(8) of the Listing Regulations, the Managing Director and CEO and the CFO made a certification to the board of Directors in the prescribed format for the year at the review, which has been reviewed by the audit Committee and taken on record by the Board. The same is attached as **Annexure V**.

- **CERTIFICATE ON CORPORATE GOVERNANCE**

Certificate from **M/s KKS and Associates, Practicing Company Secretary** confirming compliances with the conditions of Corporate Governance as stipulated under the Listing Regulations attached as **Annexure VI**.

- **CERTIFICATE FROM PRACTICING COMPANY SECRETARY**

Certificate as required pursuant to Regulation 34(3) and Schedule V Para C Clause 10(i) of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, received from Mr. Krishna Kumar Singh, Proprietor of **M/s KKS and Associates, Practicing Company Secretary** that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of the Company by the Securities and Exchange Board of India/ Ministry of Corporate Affairs or any such statutory authority. Certificate For Non- Disqualification Of Directors as Attached as **Annexure VII**.

- **UN-MODIFIED OPINION IN AUDITORS REPORT**

During the current financial year, there are no audit qualifications in the financial statements of the Company. The Company continues to adopt appropriate best practices in order to ensure unqualified financial statements.





- **AUDITORS' REMUNERATION**

The total fees for all services paid by Company and its subsidiaries, on a consolidated basis, to the statutory auditors and all entities in the network firm/ network entity of which the statutory auditor is a part of are as follows:

| Particulars | Amount (In Lakhs) |
|----------------------|-------------------|
| Statutory Audit Fees | Rs. 2.15 |
| Tax Audit Fees | Rs. 0.60 |
| Total | Rs. 2.75 |



- **UTILIZATION OF FUNDS RAISED THROUGH PREFERENTIAL ALLOTMENT OR QUALIFIED INSTITUTIONAL PLACEMENT**

During the year under review, the Company has not raised any proceeds by way of preferential issue or qualified institutional placement.

- **DISCLOSURE OF COMMODITY PRICE RISKS AND COMMODITY HEDGING ACTIVITIES**

During the year under review, the Company does not possess any commodity price risks and commodity Hedging activities.

- **COMPLIANCES OF NON-MANDATORY & DISCRETIONARY REQUIREMENTS AS PER SCHEDULE II PART E OF THE SEBI LISTING REGULATIONS**

The quarterly and half yearly financial performance are published in the newspaper and are also posted on the website of the Company and hence, not being sent to the Shareholders.

The internal auditor of the Company makes presentation to Audit Committee on their reports.

The Company Financial Statements for the year 2020-21 does not contain any audit qualification. The Company's audited Financial Statements are accompanied with unmodified opinion from Statutory Auditor of the Company.

OTHER USEFUL INFORMATION TO SHAREHOLDERS





- ❖ Shareholders/beneficial owners are requested to quote their folio no. /DP and client ID nos., as the case may be, in all correspondence with the RTA/ Company.
- ❖ Shareholders holding shares in physical form are requested to notify to the RTA/Company, PAN, email Ids, change in their address/pin code number and bank account details promptly by written request under the signatures of sole/first joint holder.
- ❖ Beneficial owners of shares in demat form are requested to send their instructions regarding PAN, email ids, change of name, change of address, bank details, nomination, power of attorney etc., directly to their DP as the same are maintained by the DPs.
- ❖ Non-resident members are requested to immediately notify change in their residential status on return to India for permanent settlement and particulars of their NRE bank account with a bank in India, if not furnished earlier.
- ❖ In case of loss/misplacement of shares, investors should immediately lodge a FIR/complaint with the police and inform RTA/ Company along with original or certified copy of FIR/acknowledged copy of the complaint.
- ❖ Shareholders(s) of the Company who have multiple accounts in identical name(s) or holding more than one share certificate in the same name under different ledger folio(s) are requested to apply for consolidation of such folio(s) and send the relevant share certificates to the Company/RTA.
- ❖ Shareholders are requested to provide their valuable suggestions for improvement of our investor services. We request shareholders whose shares are in the physical mode to dematerialize their shares. Shareholders are requested to quote their e-mail IDs, telephone/fax numbers for prompt reply to their communication.

ROLE OF THE COMPANY SECRETARY IN OVERALL GOVERNANCE PROCESS

The Company Secretary plays a key role in ensuring that the Board (including committees thereof) procedures are followed and regularly reviewed. The Company Secretary ensures that all relevant information, details and documents are made available to the Directors and senior management for effective decision-making at the meetings. The Company Secretary is primarily responsible to assist and advise the Board in the conduct of affairs of the Company, to ensure compliance with applicable statutory requirements adherence to code of conduct and applicable Secretarial Standards, to provide guidance to directors and to facilitate convening of meetings. The Company Secretary acts as the Secretary to all the Committees of the Board constituted under the Companies Act, Companies Act, 2013. She is also designated as Compliance Officer.



Declaration - Code of Conduct

In accordance with the regulation 26(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors of CPIL has laid down a Code of Conduct for all the Board members and senior management of the Company. The said Code of Conduct has also been posted on the website of the company at www.cpil.com. All the Board members and senior management personnel for the financial year ended 31st March, 2021 affirmed compliance with the code of conduct laid down by the Board of Directors for them.

For Chandra Prabhu International Limited

Gajraj Jain
Chairman Cum Managing Director
DIN:00049199

For Chandra Prabhu International Limited

Gajraj Jain
Chairman Cum Managing Director
DIN:00049199

Place : Gurugram
Date : July 30, 2021

Corporate Identification Number (CIN)
: L51909DL1984PLC019441

Registered Office:
14, Rani Jhansi Road, New Delhi-110055

Corporate Office:
522, Fifth Floor, DLF Galleria Commercial Complex,
DLF City Phase IV, Gurugram, Haryana, 122009
Phone: +91-124-44754936
Email: info@cpil.com, cs@cpil.com
Website : www.cpil.com



ANNEXURE-V

CEO/CFO CERTIFICATION TO THE BOARD

{Under Regulation 17(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015}

To,

The Board of Directors

Chandra Prabhu International Limited

We have reviewed financial statements and the cash flow statement for the financial year ended 31st March, 2021, and that to the best of my knowledge and belief:

- (a) (i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
- (ii) These statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) To the best of our knowledge and belief, no transactions entered into by the company during the year ended 31st March, 2021 which are fraudulent, illegal or violative of the company's code of conduct.
- (c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- (d) We further certify that we have indicated to the auditors and the Audit committee:
 - (i) There have been no significant changes in internal control over financial reporting during the year;
 - (ii) There have been no significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - (iii) There have been no instances of significant fraud of which they 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 Chandra Prabhu International Limited

Amar Singh
Chief Financial Officer

Gajraj Jain
Chairman Cum Managing Director
DIN:-00049199

Place: Gurugram

Date: July 30, 2021



ANNEXURE-VI

CERTIFICATE ON CORPORATE GOVERNANCE

To,
The Members of Chandra Prabhu International Ltd.
14 Rani Jhansi Road New Delhi 110055

Practicing Company Secretary's Certificate on compliance with the conditions of Corporate Governance as per Chapter IV pursuant to Regulation 34(3) and Schedule V Para E of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

We have examined the compliance of Corporate Governance by M/s. Chandra Prabhu International Limited (the Company) for the year ended on March 31, 2021 as stipulated in:-

- ❖ Regulations 17 to 27 and clauses (b) to (i) of regulation 46 (2) and paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') for the period April 1, 2020 to March 31, 2021.

Management Responsibility for compliance with the conditions of Listing Regulations

1. The Management along with the Board of Directors is responsible for ensuring that the Company complies with the requirements of the Listing Regulations and for providing all relevant information to the Securities and Exchange Board of India.
2. The preparation of the accompanying Corporate Governance Report is the responsibility of the Management of the Company including the Board of Directors. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and presentation of the Report, and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances.

PCS Responsibility

3. Pursuant to the requirements of Clause E to Section V to the Listing Regulations, it is our responsibility to obtain reasonable assurance and form an opinion as to whether the Company complies with the conditions of Corporate Governance.
4. Our examination was limited to procedures and implementation thereof, adopted by the company for ensuring compliance with the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

Opinion

5. In our opinion and to the best of our information and according to the explanations given to us and the representation made by the directors and the management, and considering the relaxation granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India due to spread of COVID-19 pandemic, we certify that the company has complied with the conditions of corporate governance as stipulated in Listing Regulations as applicable during the year ended on March 31, 2021

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

**Restriction on Use**

6. The certificate is addressed and provided to the members of the Company solely for the purpose to enable the Company to comply with the requirement of the Listing Regulations, and it should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

FOR KKS & ASSOCIATES

Krishna Kumar Singh
Practicing Company Secretary
Membership No. : F8493
COP No. : 9760
UDIN: F008493C000712207

DATE: July 30, 2021

PLACE: New Delhi



ANNEXURE-VII

CERTIFICATE FOR NON- DISQUALIFICATION OF DIRECTORS (PURSUANT TO REGULATION 34(3) AND SCHEDULE V PARA C CLAUSE 10(I) OF THE SEBI (LISTING OBLIGATION AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

**TO,
THE MEMBERS,
CHANDRA PRABHU INTERNATIONAL LTD.**

I have examined the relevant registers, records, forms, returns and disclosures received from the directors of **M/s. Chandra Prabhu International Ltd.** having CIN: L51909DL1984PLC019441 and having registered office at no. 14, Rani Jhansi Road,, New Delhi 110055 and Corporate Office at 522, Fifth Floor, DLF Galleria Commercial Complex, DLF City Phase IV, Gurugram, Haryana, 122009 (hereinafter called the company) produced before me by the company for the purpose of issuing the certificate, in accordance with Regulation 34(3) read with schedule V para C Sub Clause 10 (i) of the SEBI (Listing Obligation And Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verification (including director identification number (DIN) status at the portal www.mca.gov.in as considered necessary and explanations furnished to me by the Company & its officers and considering the relaxation granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India due to spread of COVID-19 pandemic, I hereby certify that none of the directors on the board of the company as stated below for the financial year ending on 31st march, 2021 has been debarred or disqualified from being appointed or continuing as directors of companies by the securities and exchange board of india, ministry of corporate affairs or any such other statutory authority.

| Sr. No. | Name of Director | DIN | Designation |
|---------|---------------------------|----------|--------------------------------|
| 1. | Mr. Gajraj Jain | 00049199 | Chairman Cum Managing Director |
| 2. | Mrs. Hemlata Jain | 00049212 | Woman Director |
| 3. | Mr. Nishant Goyal* | 06541748 | Independent Director |
| 4. | Mr. Prakash Goyal** | 02598736 | Independent Director |
| 5. | Mr. Jitendra Kumar Mishra | 07983426 | Independent Director |

**Mr. Nishant Goyal, Independent Director resigned from directorship w.e.f. 20th June 2020. He was not disqualified during his term.*

***The office of Mr. Prakash Goyal, Independent Director of the Company was vacated due to death dated May 01, 2021. He was not disqualified during his term.*

We wish to state that the management of the company is responsible to ensure the eligibility of a person for appointment/continuation as a director on the board 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 efficacy or effectiveness of the corporate governance processes followed by the management of the company.

FOR KKS & ASSOCIATES

Krishna Kumar Singh
Practicing Company Secretary
Membership No. : F8493
COP No. : 9760
UDIN: F008493C000712207

**DATE: July 30, 2021
PLACE: New Delhi**



FINANCIAL STATEMENTS

1. Balance Sheet
2. Profit & Loss
3. Statement of Cashflow
4. Statement of Change in Equity
5. Note to Financial Statements





MITTAL GARG GUPTA & CO.
Chartered Accountants
Firm Registration No.: 01659IN



112, Vishwadeep Tower,
District Centre, Janak Puri,
New Delhi-110058
Tele/Fax : 011-25512000
E-mail : ca_mgg@yahoo.in

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF CHANDRA PRABHU INTERNATIONAL LIMITED

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **ChandraPrabu International Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2021, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Standalone Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined that there are no key audit matters to communicate in our report.

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

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexure to Board's Report, Corporate Governance and Shareholder's Information, but does not include the standalone financial statements and our auditor's report thereon.

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



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In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

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

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

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act 2013 (the Act) with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India including the Accounting standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, Board of Director 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the 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.

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- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the **"Annexure A"** a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable
2. As required by Section 143(3) of the Act, based on our audit 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.

**MITTAL GARG GUPTA & CO.****Chartered Accountants**

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- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
- d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of the written representations received from the directors as on March 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, no remuneration is paid by the Company to its directors during the year, thus no comments are called for on this clause.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements.
 - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For Mittal Garg Gupta & Co
Chartered Accountants
FRN 016591N

C A Sanjay Gupta
Partner

M. No. 093321

UDIN:21093321AAAAFU6496

Place: New Delhi

Dated: 25th June, 2021



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ANNEXURE "A"

TO THE INDEPENDENT AUDITORS' REPORT

Report on Companies (Auditor's Report) order, 2016 ('the Order') issued by the Central Government in terms of Section 143(11) of the Companies Act, 2013 ('the Act') of Chandra Prabhu International Ltd. ('the Company')

1. In respect of the Company's fixed assets:

- (a) The company has maintained proper records showing full particulars of fixed assets including quantitative details and situation of Property Plant and Equipment (fixed assets).
 - (b) The Property Plant and Equipment(fixed assets) have been physically verified by the management according to the phased program of three years which is reasonable with regard to size of the company and nature of its assets. Pursuant to the program, a portion of the fixed assets have been physically verified by the management during the year and no significant material discrepancies between the book records and such physical verification have been noticed.
 - (c) According to the information and explanations given to us and the records examined by us and based on the examination of the conveyance deed provided to us, we report that, the title deeds, comprising all the immovable properties of land which are freehold, are held in the name of the Company.
2. According to the information and explanation given to us Inventory has been physically verified by the management during the year. No material discrepancies were noticed that would have an impact over the Standalone Financial Statements.
 3. As informed and according to the information and explanation given to us, the company has not granted loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013. According the provision of clause 3(iii)(a)(b) and (c) are not applicable to the company.
 4. In our opinion and according to the information and explanations given to us, the company has complied with provisions of Section 185 and 186 of the Act in respect of grant of loans, making investments and providing guarantees and securities, as applicable.
 5. In our opinion and according to the information and explanations given to us, the Company has not accepted deposits, hence the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act and the rules framed there under, are not applicable to it. According to the information and explanations given to us, no order has been passed against the company by Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other tribunal.
 6. The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Companies Act, 2013, for any of the services rendered by the company.
 7. According to the information and explanations given to us and on the basis of examination of the records of the Company, in respect of statutory dues:



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- a. The company is generally regular in depositing undisputed statutory dues including provident fund, employees' state insurance, sales-tax, wealth tax, income tax, service tax, custom duty, excise duty, value added tax, cess and any other material statutory dues with the appropriate authorities to the extent applicable and further, there are no undisputed statutory dues payable for a period of more than six months from the date they become payable as at 31st March 2021.
- a. The company is generally regular in depositing undisputed statutory dues including provident fund, employees' state insurance, sales-tax, wealth tax, income tax, service tax, custom duty, excise duty, value added tax, cess and any other material statutory dues with the appropriate authorities to the extent applicable and further, there are no undisputed statutory dues payable for a period of more than six months from the date they become payable as at 31st March 2021.
- b. There are no undisputed amounts payable in respect of income tax, sales tax, service tax, duty of excise, duty of custom and other material statutory dues was in arrears as on 31st March, 2021 for a period of more than six months from the date they became payable.
8. According to the information and explanations given to us and on the basis of examination of the records of the Company, the company has not defaulted in repayment of loans or borrowings to a financial institution, bank, government or dues to debenture holders.
9. The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and has raised term loans during the year. In our opinion and according to the information and explanations given to us, no Term loan raised during the year.
10. During the course of our examination of the books & records of the company carried out in accordance with the generally accepted auditing Practices in India and according to the information and explanation given to us, we have neither come across any instances of fraud on or by the company, noticed or reported during the year, nor have we been informed of such case by Management.
11. In our opinion and according to the information and explanations given to us, the Company has not paid/provided managerial remuneration during the year, thus para 3(xi) is not applicable.
12. The Company is not a Nidhi Company and hence reporting under clause 3(xii) of the Order is not applicable.
12. According to the information and explanations given to us the Company is in compliance with Section 177 and 188 of the Act, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the standalone Ind AS financial statements as required by the applicable Indian accounting standards.
13. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause 3(xiv) of the Order is not applicable to the Company.



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14. In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its Directors or persons connected to its Directors and hence provisions of Section 192 of the Act are not applicable. Accordingly, paragraph 3(xv) of the Order is not applicable.
15. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For Mittal Garg Gupta & Co
Chartered Accountants
FRN 016591N

Place: New Delhi
Dated: 25th June, 2021

C A Sanjay Gupta
Partner
M. No. 093321
UDIN:21093321AAAAFU6496



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ANNEXURE "B"

To
The Independent Auditors' Report

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

We have audited the internal financial controls over financial reporting of Chandra Prabhu International Ltd. ('the Company') as of March 31, 2021 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended and as 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 Act.

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 Standards on Auditing prescribed under Section 143(10) of the Act and the Guidance Note, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with the ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operation effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone Ind AS 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,



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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 Ind AS 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 Ind AS 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, 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 controls over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over financial reporting issued by the Institute of Chartered Accountants of India.

For Mittal Garg Gupta & Co
Chartered Accountants
FRN 016591N

Place: New Delhi
Dated: 25th June, 2021

C A Sanjay Gupta
Partner
M. No. 093321
UDIN:21093321AAAAFU6496



Balance Sheet as at 31st March 2021

Amount in ₹

| Particulars | Notes | As at 31st March 2021 | As at 31st March, 2020 |
|---|-------|--------------------------|---------------------------|
| ASSETS | | | |
| <u>(1) Non-Current Assets</u> | | | |
| (a) Property, Plant and Equipment | 3 | 29,93,845 | 26,24,389 |
| (b) Financial Assets | | | |
| (i) Investment | | - | - |
| (c) Deferred tax assets (net) | 4 | 14,22,326 | 41,11,429 |
| (d) Other Non-Current Assets | 5 | 53,30,523 | 55,45,774 |
| Total Non-Current Assets | | 97,46,694 | 1,22,81,592 |
| <u>(2) Current Assets</u> | | | |
| (a) Inventories | 6 | 1,27,61,403 | 6,89,05,059 |
| (b) Financial Assets | | | |
| (i) Trade Receivables | 7 | 21,55,86,230 | 15,16,40,980 |
| (ii) Cash and Cash Equivalents | 8 | 1,10,05,101 | 21,67,513 |
| (iii) Bank Balances other than (ii) above | 9 | 1,62,860 | 2,55,290 |
| (c) Other current assets | 10 | 11,44,51,031 | 5,45,31,928 |
| Total Current Assets | | 35,39,66,625 | 27,75,00,770 |
| Total Assets | | 36,37,13,319 | 28,97,82,362 |
| EQUITY AND LIABILITIES | | | |
| <u>Equity</u> | | | |
| (i) Equity Share Capital | 11 | 3,69,80,000 | 3,69,80,000 |
| (ii) Other Equity | 12 | 15,53,35,120 | 9,81,36,370 |
| Total Equity | | 19,23,15,120 | 13,51,16,370 |
| <u>Liabilities</u> | | | |
| <u>(1) Non-Current Liabilities</u> | | | |
| (a) Financial Liabilities | | | |
| (i) Borrowings | 13 | 4,72,809 | - |
| (b) Provisions | 14 | 2,93,466 | 4,54,691 |
| Total Non-Current Liabilities | | 7,66,275 | 4,54,691 |
| <u>(2) Current Liabilities</u> | | | |
| (a) Financial Liabilities | | | |
| (i) Borrowings | 15 | 2,87,00,000 | 6,67,47,015 |
| (ii) Trade Payables | 16 | 4,57,90,421 | 6,37,16,054 |
| (iii) Other Financial Liabilities | 17 | 3,90,100 | 6,80,875 |
| (b) Other Current Liabilities | 18 | 8,10,29,888 | 2,30,13,878 |
| (c) Provisions | 19 | 1,92,424 | 53,479 |
| (d) Current Tax Liabilities | 20 | 1,45,29,091 | - |
| Total Current Liabilities | | 17,06,31,924 | 15,42,11,301 |
| Total Equity and Liabilities | | 36,37,13,319 | 28,97,82,362 |

Significant Accounting Policies 1 & 2

The accompanying notes are an integral part of the financial statements

As per our Report of even date.

For Mittal Garg Gupta & Co

Chartered Accountants

FRN: 016591N

CA Sanjay Gupta

Partner

M No : 093321

Place: New Delhi

Dated: 25th June, 2021

For and on behalf of the Board of Directors

Gajraj Jain

Chairman Cum Managing Director

DIN -00049199

Jitendra Kumar Mishra

Director

DIN - 07983426

Komal

Company Secretary

Amar Singh

Chief Financial Officer


Statement of Profit and Loss for the period ended on 31st March, 2021

Amount in ₹

| S No | Particulars | Note | 2020-21 | 2019-20 |
|------|--|------------|-----------------------|-----------------------|
| | Income | | | |
| I | Revenue from operations | 21 | 2,25,81,67,011 | 1,19,13,25,972 |
| II | Other Income | 22 | 20,86,078 | 3,25,971 |
| III | <i>Total Income (I + II)</i> | | 2,26,02,53,089 | 1,19,16,51,943 |
| IV | Expenses: | | | |
| | Purchase of Stock-in-Trade | 23 | 1,99,07,80,724 | 1,13,29,05,056 |
| | Changes in inventories of Stock-in-Trade | 24 | 5,61,43,656 | (1,99,36,097) |
| | Employee Benefit Expenses | 25 | 43,71,991 | 39,39,733 |
| | Finance Costs | 26 | 68,50,006 | 77,20,564 |
| | Depreciation | 3 | 7,25,039 | 9,59,397 |
| | Other Expenses | 27 | 11,81,31,240 | 3,90,06,040 |
| | <i>Total Expenses</i> | | 2,17,70,02,656 | 1,16,45,94,693 |
| V | Profit before exceptional items and tax | (III - IV) | 8,32,50,433 | 2,70,57,250 |
| VI | Exceptional Items | 28 | - | 10,00,000 |
| VII | Profit before tax (VII - VIII) | | 8,32,50,433 | 2,60,57,250 |
| VIII | Tax expense: | | | |
| | (1) Current tax | | 2,34,85,485 | 45,87,874 |
| | (2) Prior period tax Adjustment - income | | (6,966) | 22,454 |
| | (3) Deferred tax Assets/(Liabilities) | | 26,70,477 | 23,87,908 |
| | Total Tax Expenses | | 2,61,48,996 | 69,98,236 |
| IX | Profit/(Loss) for the period (XI + XIV) | | 5,71,01,437 | 1,90,59,014 |
| X | Other Comprehensive Income | | | |
| | A (i) Items that will not be reclassified to profit or loss | | | |
| | Re-measurement gains / (losses) on defined benefit plans | | 1,15,939 | 48,985 |
| | Tax effect on above | | (18,626) | (13,628) |
| | Net Other Comprehensive Income not to be reclassified to profit or loss in subsequent periods (A) | | 97,313 | 35,357 |
| XI | Total Comprehensive Income for the period, net or tax | | 5,71,98,750 | 1,90,94,371 |
| XII | Earning per equity share: | | | |
| | Basic & Diluted | 29 | 15.44 | 5.15 |

Significant Accounting Policies

1 & 2

The accompanying notes are an integral part of the financial statements

As per our Report of even date.
For Mittal Garg Gupta & Co
 Chartered Accountants
 FRN: 01659IN

CA Sanjay Gupta
 Partner
 M No : 093321

 Place: New Delhi
 Dated: 25th June, 2021

For and on behalf of the Board of Directors
Gajraj Jain
 Chairman Cum Managing Director
 DIN -00049199

Jitendr Kumar Mishra
 Director
 DIN - 07983426

Komal
 Company Secretary
Amar Singh
 Chief Financial Officer



Cash Flow Statement for the year ended 31st Marh, 2021

Amount in ₹

| Particulars | For the year Ended 31st March, 2021 | For the year Ended 31st March, 2020 |
|--|--|--|
| A. CASH FLOW FROM OPERATING ACTIVITIES | | |
| Net Profit before tax | 8,32,50,433 | 2,60,57,250 |
| Adjustments for : | | |
| Depreciation | 7,25,039 | 9,59,397 |
| Interest Expense | 68,50,006 | 77,20,564 |
| Other Income | 20,86,078 | 3,25,971 |
| (Loss) /Profit on Sale of Shares | - | 10,00,000 |
| Profit on Sale of Fixed Assets | (1,24,508) | - |
| Discard of Assets | - | 39,434 |
| Exchange difference on translation of foregin currency cash and cash equivalents | - | - |
| Re-measurement gains / (losses) on defined benefit plans | 1,15,939 | 48,985 |
| Tax effect on above | (18,626) | (13,628) |
| Operating profit before Working Capital change | 9,28,84,361 | 3,61,37,973 |
| Adjustments for : | | |
| (Increase)/Decrease in Inventories | 5,61,43,656 | (1,99,36,095) |
| (Increase)/Decrease in Trade Receivable | (6,39,45,248) | 1,15,83,665 |
| (Increase)/Decrease in Other Current Assets | (5,99,19,103) | (2,24,48,676) |
| (Increase)/Decrease in Other Non Current Assets | 2,15,251 | (35,112) |
| Increase/(Decrease) in Trade Payable | (1,79,25,633) | 6,36,81,384 |
| Increase/(Decrease) in Other Current Liabilities | 5,80,16,010 | (2,17,36,603) |
| Increase/(Decrease) in Other Financial Liabilities | (2,90,775) | (1,15,359) |
| Increase/(Decrease) in Short Term Provision | 1,38,945 | 2,898 |
| Increase/(Decrease) in Current Tax Liabilities | 1,45,29,092 | (5,88,668) |
| Increase/(Decrease) in Long Term Provision | (1,61,226) | 20,620 |
| Cash Generated from Operations | 7,96,85,330 | 4,65,66,027 |
| Direct Taxes paid | (2,34,59,893) | (45,96,704) |
| NET CASH FLOWS FROM OPERATING ACTIVITIES [A] | 5,62,25,437 | 4,19,69,323 |
| B. CASH FLOW FROM INVESTING ACTIVITIES | | |
| Purchase of Fixed Assets | (11,19,988) | - |
| Sale of Fixed Assets | 1,50,000 | 2,55,071 |
| Sale of Investment | - | 50,00,000 |
| Interest Received | (20,86,078) | (3,25,971) |
| NET CASH FLOWS FROM INVESTING ACTIVITIES [B] | - 30,56,066 | 49,29,100 |
| C. CASH FLOW FROM FINANCING ACTIVITIES | | |
| Proceeds/(Repayment) from Long Term Borrowing | 4,72,809 | (4,25,585) |
| Proceeds/(Repayment) from Short Term Borrowings | (3,80,47,015) | (3,61,15,666) |
| Interest Paid | (68,50,006) | 77,20,564 |
| Dividend and dividend distribution tax paid | - | (22,29,067) |
| NET CASH FLOWS FROM FINANCING ACTIVITIES [C] | (4,44,24,213) | (3,10,49,754) |
| Exchange difference on translation of foregin currency cash and cash equivalents | - | - |
| Net increase/(decrease) in cash and cash equivalents [A+B+C] | 87,45,158 | 4,07,541 |
| Cash and cash equivalents at the beginning of the year | 24,22,803 | 20,15,262 |
| Cash and cash equivalents at the end of the year | 1,11,67,961 | 24,22,803 |
| Detail of cash and cash equivalents as on the end of the year: | | |
| Cash and cash equivalents as on | | |
| On Current Accounts | 1,05,28,811 | 11,00,571 |
| Unclaimed Dividend Account | 1,62,860 | 2,55,290 |
| In Fixed Deposit | - | - |
| Cash-in-Hand | 4,76,290 | 10,66,942 |
| | 1,11,67,961 | 24,22,803 |
| As per our Report of even date. | | |
| For Mittal Garg Gupta & Co Chartered Accountants FRN: 01659IN | For and on behalf of the Board of Directors | |
| CA Sanjay Gupta Partner M No : 093321 | Gajraj Jain Chairman Cum Managing Director DIN -00049199 | Jitendr Kumar Mishra Director DIN - 07983426 |
| Place: New Delhi Dated: 25th June, 2021 | Komal Company Secretary | Amar Singh Chief Financial Officer |



STATEMENT OF CHANGES IN EQUITY

Statement of Changes in Equity for the period ended 31.03.2021

A. Equity Share Capital (Note 12)

| Equity Shares of Rs 10 par value | No of Shares | Amount |
|---|--------------|-------------|
| As at 1 April 2019 | 36,98,000 | 3,69,80,000 |
| Issue/Reduction, if any during the year | - | - |
| At 31 March 2020 | 36,98,000 | 3,69,80,000 |
| Issue/Reduction, if any during the year | - | - |
| At 31 March 2021 | 36,98,000 | 3,69,80,000 |

B. Other Equity (Note 13)

| | Reserves and Surplus | | Exchange differences on translating the financial statements of a foreign operation | Other items of Other Comprehensive Income (specify nature) | Total |
|--|----------------------|-------------------|---|--|--------------|
| | General Reserves | Retained Earnings | | | |
| As at 1 April 2019 | 39,89,291 | 7,73,63,306 | | (81,530) | 8,12,71,067 |
| Profit for the year | | 1,90,59,014 | | | 1,90,59,014 |
| Adjustment to Profit & Loss | | | | | - |
| Net Comprehensive Income for the year- Gratuity | | - | | 35,357 | 35,357 |
| Transfer to retained earnings | | | | | - |
| Less: Dividend Paid | | | | | (18,49,000) |
| Less: Dividend Distribution Tax | | | | | (3,80,067) |
| As at 31 March 2020 | 39,89,291 | 9,41,93,253 | | (46,173) | 9,81,36,370 |
| Profit for the year | | 5,71,01,437 | | | 5,71,01,437 |
| Adjustment to Profit & Loss | | | | | - |
| Net Comprehensive Income for the year - Gratuity | | - | | 97,313 | 97,313 |
| Transfer to retained earnings | | | | | - |
| Less: Dividend Paid | | | | | - |
| Less: Dividend Distribution Tax | | | | | - |
| As at 31 March 2021 | 39,89,291 | 15,12,94,690 | | 51,140 | 15,53,35,120 |

Note:

General reserve forms part of the retained earnings and is permitted to be distributed to shareholders as part of dividend.

The balance held in this reserve is the accumulated retained profits and is permitted to be distributed to shareholders as part of dividend.

Retained earnings :

As per our Report of even date.

For Mitral Garg Gupta & Co
Chartered Accountants

FRN: 016591N

CA Sanjay Gupta

Partner

M No : 093321

Place: New Delhi

Dated: 25th June, 2021

Gajraj Jain

Chairman Cum Managing Director

DIN -00049199

Jitendr Kumar Mishra

Director

DIN - 07963426

Komal

Company Secretary

Amar Singh

Chief Financial Officer

For and on behalf of the Board Of Directors



Policies and Notes Forming Part of Financial Statement for the year ended 31st March, 2021

Note : 1

1. Corporate Information

Chandra Prabhu International Ltd. referred to as "CPIL" or "the Company" was incorporated on 29th November, 1984 registered with Registrar of Companies, Delhi & Haryana, New Delhi. The Company is a Public Limited Company whose shares are listed in BSE. Chandra Prabhu International Ltd. is a well-known name in the trading of Coal and Agro products.

1.1 Basis of preparation of Financial Statements

The standalone financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) under the historical cost convention on the accrual basis except for certain financial instruments, which are measured at fair value and the provisions of the Companies Act 2013. The IndAS are prescribed under section 133 of the Act read with Rule 3 of the Indian Accounting Standards ("Ind AS") as issued under the Companies (Indian Accounting Standards) Rules, 2015.

1.2 Use of Judgement, Estimates and Assumptions

The preparation of the company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

1.3 Estimation of uncertainties relating to the global health pandemic from COVID-19

The Company has considered the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of receivables. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Company, as at the date of approval of these financial statements has used internal and external sources of information including credit reports and related information, economic forecasts. The Company has performed sensitivity analysis on the assumptions used and based on current estimates expects the carrying amount of these assets will be recovered. The impact of COVID-19 on the Company's financial statements may differ from that estimated as at the date of approval of these financial statements.

a) Formulation of Accounting Policies

Accounting policies are formulated in a manner that result in financial statements containing relevant and reliable information about the transactions, other events and conditions to which they apply. Those policies need not be applied when the effect of applying them is immaterial. In the absence of an Ind AS that specifically applies to a transaction, other event or condition, management has used its judgement in developing and applying an accounting policy that results in information that is:

- a) relevant to the economic decision-making needs of users and
- b) reliable in that financial statements:
 - (i) represent faithfully the financial position, financial performance and cash flows of the Company;
 - (ii) reflect the economic substance of transactions, other events and conditions, and not merely the legal form;
 - (iii) are neutral, i.e. free from bias;
 - (iv) are prudent; and
 - (v) are complete in all material respects on a consistent basis

In making the judgement management refers to, and considers the applicability of, the following sources in descending order:



- (a) the requirements in Ind ASs dealing with similar and related issues; and
- (b) the definitions, recognition criteria and measurement concepts for assets, liabilities, income and expenses in the Framework.

b) **Materiality**

Ind AS applies to items which are material. Management uses judgement in deciding whether individual items or groups of item are material in the financial statements. Materiality is judged by reference to the size and nature of the item.

The deciding factor is whether omission or misstatement could individually or collectively influence the economic decisions that users make on the basis of the financial statements. Management also uses judgement of materiality for determining the compliance requirement of the Ind AS. In particular circumstances either the nature or the amount of an item or aggregate of items could be the determining factor. Further the Company may also be required to present separately immaterial items when required by law.

c) **Defined benefit plans**

The cost of the defined benefit plans and other post-employment benefits and the present value of the obligation are determined using actuarial valuation. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and future post-retirement medical benefit increase. Due to the complexities involved in the valuation and its long term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. the discount rate is generally based upon the market yields available on Government Bonds at the accounting date.

The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at intervals in response to demographic changes. Future salary increases are based on expected future inflation rates for the country.

d) **Deferred Tax**

Deferred tax assets are recognised for all deductible temporary differences including 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 utilised.

Indian GAAP required deferred taxes to be accounted for using the income statement approach, which focuses on differences between taxable profits and accounting profits for the period, Ind AS 12 Income Taxes required entities to account for deferred taxes using the balance sheet approach, which focuses on temporary differences between the carrying amount of any asset or liability in the balance sheet and its tax base. The application of Ind AS 12 has resulted in recognition of deferred tax on new temporary differences which was not required under India GAAP.

In addition, certain transitional adjustments lead to temporary differences. According to the accounting policies, the Company has to account for such differences. Deferred tax adjustments have been recognised in correlation to the underlying transaction either in retained earnings or as a separate component of equity.

e) **Impairment of Trade Receivables**

The Company determines the allowance for credit losses based on historical loss experience adjusted to reflect current and estimated future economic conditions. The Company considered current and anticipated future economic conditions relating to industries the Company deals with and the countries where it operates. In calculating expected credit loss, the Company has also considered credit reports and other related credit information for its customers to estimate the probability of default in future and has taken into account estimates of possible effect from the pandemic relating to COVID-19.



Note : 2

Significant Accounting Policies

2.1 Current and non-current Classification

The Company presents assets and liabilities in the Balance Sheet based on current/ non-current classification.

An asset is treated as current by the Company when:

- (a) it expects to realise the asset, or intends to sell or consume it, in its normal operating cycle;
- (b) it holds the asset primarily for the purpose of trading;
- (c) it expects to realize the asset within twelve months after the reporting period; or
- (d) the asset is cash or a cash equivalent (as defined in Ind AS 7) unless the asset is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is treated as current by the Company when:

- (a) it expects to settle the liability in its normal operating cycle;
- (b) it holds the liability primarily for the purpose of trading;
- (c) the liability is due to be settled within twelve months after the reporting period; or
- (d) it does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting period. Terms of a liability that could, at the option of the counter party, result in its settlement by the issue of equity instruments do not affect its classification.

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities

2.2 Property, Plant and Equipment (PPE)

Land is carried at historical cost. All other items of property, plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any.

The initial cost of an asset comprises its purchase price and any costs directly attributable to bring the asset into the location and condition necessary for it to be capable of operating in the manner intended by management.

An item of property, plant and equipment initially recognized separately are derecognized upon disposal or when no future economic benefits expected from its use or disposal or when the property, plant and equipment has been reclassified as ready for disposal. Any gain or loss arising on derecognition of the asset is included in the statement of profit and loss when the asset is derecognized.

Residual value and useful life of property, plant and equipment are reviewed at each financial year end and changes are accounted for as a change in accounting estimates on a prospective basis.

Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item depreciated separately. However, significant part(s) of an item of PPE having same useful life and depreciation method are grouped together in determining the depreciation charge.

Costs of the day to-day servicing described as for the 'repairs and maintenance' are recognised in the statement of profit and loss in the period in which the same are incurred.

2.3 Depreciation and Amortization

Depreciation on property, plant and equipment, except freehold land, is provided as per cost model on written down value basis over the estimated useful lives of the asset as per Schedule II of the Companies Act, 2013.

Depreciation is charged on addition, deletion on pro-rata basis including the day of deletion or addition.



An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Standalone Statement of Profit and Loss when the asset is derecognized.

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

The estimates made by the management for the useful life of the Property Plant and Equipments are as follows:-

| Type of Asset | Period (Estimated Useful Life) |
|----------------------|--------------------------------|
| Vehicles-Car | 8 years |
| Vehicles- Motor Bike | 10 years |
| Plant & Machinery | 15 years |
| Office Equipments | 5 years |
| Furniture & Fixtures | 10 years |
| Computers | 3 years |

The company has decided to retain the useful life/ Residual Value hitherto adopted for various categories of properties plant and equipments as prescribed in Schedule II of the Act

2.4 Borrowing costs

Borrowing costs are expensed as and when incurred except where they are directly attributable to the acquisition, construction or production of qualifying assets i.e. the assets that necessarily takes substantial period of time to get ready for its intended use, in which case they are capitalised as part of the cost of those asset up to the date when the qualifying asset is ready for its intended use.

2.5 Leases

A finance lease is a lease that transfers substantially all the risks and rewards incidental to ownership of an asset. Title may or may not eventually be transferred. An operating lease is a lease other than a finance lease.

Company as a lessee

A lease is classified at the inception date as a finance lease or an operating lease.

Finance leases are capitalised at the commencement of the lease at the inception date fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant periodic rate of interest on the remaining balance of the liability.

Finance charges are recognised in finance costs in the statement of profit and loss, unless they are directly attributable to qualifying assets, in which case they are capitalized in accordance with the Company's general policy on the borrowing costs. A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Company will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

2.6 Inventories

Inventories of coal/rubber/agro products are stated at lower of weighted average cost or net realisable value. Net realisable value represents the estimated selling price of inventories less all estimated costs of completion and costs necessary to make the sale. Cost includes all costs of purchases and incidental expenses incurred in bringing the inventory to their present condition and location.

Custom duty on material imported are provided for at the applicable rate.



2.7 Cash and Cash Equivalent

Cash comprises cash in hand and current deposits with banks. Cash equivalents are short term, highly liquid investments that are readily convertible into known amounts of cash which are subject to an insignificance risks of changes in value.

2.8. Taxes

Current Income Tax

Current income tax assets and liabilities are measured at the amounts expected to be recovered from or paid to the taxation authorities; on the basis of the taxable profits computed for the current accounting period in accordance with Income Tax Act, 1961. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date.

Current income tax relating to items recognized in other comprehensive income or directly in equity is recognized in other comprehensive income or in equity, respectively, and not in the statement of profit and loss. The 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.

Deferred Tax

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

Minimum Alternate Tax

Minimum Alternate Tax credit is recognized, as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period.

2.9 GST / Sales Tax

The net amount of Sales tax recoverable from or payable to the taxation authority is included as part of receivables or payables in the Balance Sheet.

GST is shown as net of receivable and payable in the Balance Sheet.

2.10 Foreign Current Transactions

a) Initial Recognition

Foreign Current Transactions are recorded in Indian Currency by applying the exchange rate between the Indian Currency and Foreign Currency at the date of the transaction.

b) Conversion

Current assets and current liabilities being monetary items designated in foreign currencies are revalored at the rate prevailing on the date of Balance Sheet.

c) Exchange Difference

Exchange differences arising on the settlement and conversion of foreign currency transactions are recognized as income or as an expense in the year in which they arise.

2.11 Employee Benefits

Short Term Benefits

Short term employee benefits are recognized as an expense in the statement of profit and loss of the year in which related services are rendered by the employees.



Compensated Absences

The liability of leave encashment and other compensated absences is recognised on arithmetical basis at the end of the year are charged to expense each year

Post Employment Benefits

Defined Contribution Plans

Obligations for contribution to defined contribution plans are expensed in the statement of profit and loss of the year in which the related services are rendered by the employees.

The company makes payments to State Govt. Provident Fund Scheme and Employee State Insurance Scheme which are defined contribution plans. The contribution paid / payable under the scheme is recognized in the statement of profit and loss during the period in which the employee renders the related services. The company has no further obligations under these schemes beyond its periodic contributions.

Other Employee Benefits

Accidental & medical Insurance Scheme, defined contribution plan is taken from Aviva Life Insurance & Iffco-Tokio General Insurance Co Ltd..

Defined benefit plans

Liability towards defined employees benefits i.e. Gratuity are determined on actuarial valuation by independent actuary at the year end by using projected unit credit method.

Remeasurement of the net defined benefit liability which comprises of actuarial gains or losses, the return on planned assets (excluding interest) and the effect of the assets ceiling (if any) excluding interest) are recognized in other comprehensive income.

2.12 Provisions and Contingent Liabilities

Provisions are recognized when the company has a present obligation (legal or constructive) as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate of the amount of the obligation can be made. Where the time value of money is material, provisions are stated at the present value of the expenditure expected to settle the obligation.

All provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate. Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future uncertain events not wholly within the control of the company, are also disclosed as contingent liabilities unless the probability of outflow of economic benefits is remote.

Contingent Assets are not recognised in the financial statements. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and its recognition is appropriate.

2.13 Earnings per share

Basic earnings per share are computed by dividing the net profit after tax by the weighted average number of equity shares outstanding during the period. Diluted earnings per shares is computed by dividing the profit after tax by the weighted average number of equity shares considered for deriving basic earnings per shares and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.



2.14 Cash Flow Statement

Cash flows are reported using the indirect method set out in Ind As 7 Cash Flow statement whereby net profit before tax is adjusted for the effects of transactions of a non-cash nature and any deferral or accrual of past or future cash receipts or payments. The cash flows from regular operating, investing and financing activities of the company are segregated.

2.15 Dividend

Final Dividend on shares is recorded as a liability on the date of approval by the shareholders and interim dividend are recorded as liability on the date of declaration by the company's Board of Directors.

2.16 Segment Reporting

Identification of Segments

The companies operating business predominantly relates to trading of various items such as agriculture, synthetic rubber, coal etc.

Allocation of common cost

Common allocable cost are allocated on the basis of net fund employed in each segment.

Unallocated items

Company assets and liabilities, income and expenses which relate to the company as a whole and are not allocable to segments are included under this head.

2.17 Revenue recognition

Revenue from sale of goods

Revenue from the sale of goods is recognized when all the following conditions have been satisfied:

- (a) the Company has transferred to the buyer the significant risks and rewards of ownership of the goods;
- (b) the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- (c) the amount of revenue can be measured reliably;
- (d) it is probable that the economic benefits associated with the transaction will flow to the Company; and
- (e) the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes, levies or duties collected on behalf of the government/ other statutory bodies.

Advances received from the customers are reported as "advance from customers " unless the above conditions for revenue recognition are met.

Interest income

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

2.18 Accounting / classifications of expenditure and Income

Income / expenditure in aggregate pertaining to prior year's above the threshold limit are corrected retrospectively.

Prepaid expenses upto threshold limit in each case, are charged to revenue as and when incurred.



2.19 Financial instruments

a) Initial recognition

The Company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognized at fair value on initial recognition, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, that are not at fair value through profit or loss, are added to the fair value on initial recognition. Regular way purchase and sale of financial assets are accounted for at trade date.

b) Subsequent measurement

(i) Financial assets carried at amortized cost

A financial asset is subsequently measured at amortized cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. When the financial asset is derecognized or impaired, the gain or loss is recognized in the statement of profit and loss.

(ii) Financial assets at fair value through other comprehensive income

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognized in profit and loss.

When the financial asset is derecognized, the cumulative gain or loss previously recognized in OCI is reclassified from equity to profit and loss. Equity instruments are subsequently measured at fair value. On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI (designated as FVOCI – equity investment). This election is made on an investment by investment basis. Fair value gains and losses recognized in OCI are not reclassified to profit and loss.

(iii) Financial assets at fair value through profit or loss

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss.

(iv) Financial liabilities

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

For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.



c) Impairment of financial assets

Financial assets, other than those at FVTPL, are assessed for indicators of impairment at the end of each reporting period. The Company recognizes a loss allowance for expected credit losses on financial asset. In case of trade receivables, the Company follows the simplified approach permitted by Ind AS 109 – Financial Instruments for recognition of impairment loss allowance. The application of simplified approach does not require the Company to track changes in credit risk. The Company calculates the expected credit losses on trade receivables using a provision matrix on the basis of its historical credit loss experience.

d) Derecognition

Financial Assets

Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the rights to receive the or in which the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the company enters into transactions whereby it transfers assets recognized on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognized.

e) Financial liabilities

The company derecognizes a financial liability when its contractual obligations are discharged or cancelled, or expire.

Reclassification of Financial Assets and Financial Liabilities

The company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The company does not restate any previously recognized gains, losses (including impairment gains or losses) or interest.



Note : 3
Property Plant & Equipment

| PARTICULARS | Land Freehold | Plant & Equipments | Furniture & Fixtures | Vehicles | Office Equipments | Computers | Total |
|----------------------------|------------------|-----------------------|-------------------------|--------------------|----------------------|------------------|--------------------|
| Gross Block | | | | | | | |
| As at 01.04.2019 | 4,73,080 | 3,48,406 | 4,72,581 | 1,59,85,385 | 8,43,003 | 14,69,932 | 1,95,92,387 |
| Additions | - | - | - | - | - | - | - |
| Assets Held for Disposal | - | - | - | - | - | - | - |
| Deductions | - | - | - | 57,55,220 | - | 1,34,800 | 58,90,020 |
| As At 31.03.2020 | 4,73,080 | 3,48,406 | 4,72,581 | 1,02,30,165 | 8,43,003 | 13,35,132 | 1,37,02,367 |
| Additions | - | - | - | 8,71,618 | 33,050 | 2,15,320 | 11,19,988 |
| Assets Held for Disposal | - | - | - | - | - | - | - |
| Deductions | - | - | - | 3,79,000 | - | - | 3,79,000 |
| As At 31.03.2021 | 4,73,080 | 3,48,406 | 4,72,581 | 1,07,22,783 | 8,76,053 | 15,50,452 | 1,44,43,355 |
| Depreciation | | | | | | | |
| Upto 1 April 2019 | - | 2,87,410 | 3,71,635 | 76,35,074 | 5,36,158 | 12,88,306 | 1,01,18,582 |
| For the year | - | 11,721 | 9,840 | 8,23,379 | 86,913 | 27,544 | 9,59,397 |
| Assets Held for Disposal | - | - | - | - | - | - | - |
| Deductions | - | - | - | - | - | - | - |
| As At 31.03.2020 | - | 2,99,131 | 3,81,475 | 84,58,453 | 6,23,071 | 13,15,850 | 1,10,77,979 |
| For the year | - | 9,469 | 24,301 | 6,07,443 | 47,606 | 36,219 | 7,25,039 |
| Assets Held for Disposal | - | - | - | - | - | - | - |
| Assets Written off | - | - | - | - | - | - | - |
| Deductions | - | - | - | 3,53,508 | - | - | 3,53,508 |
| As At 31.03.2021 | - | 3,08,600 | 4,05,776 | 87,12,388 | 6,70,677 | 13,52,069 | 1,14,49,510 |
| Net Block | | | | | | | |
| As t 31 March 2020 | 4,73,080 | 49,275 | 91,106 | 17,71,712 | 2,19,932 | 19,282 | 26,24,389 |
| As at 31 March 2021 | 4,73,080 | 39,806 | 66,805 | 20,10,395 | 2,05,376 | 1,98,383 | 29,93,845 |

Note:

- Gross Block is at Cost.
- For Depreciation refer Accounting Policy (Note 2.3).



Note : 4
Deferred Tax

| Deferred Tax | | | | | | Amount in ₹ | |
|--|--------------------------------|----------------------|---|--|--------------------------------|----------------------|---|
| Year ended March 31, 2021 | | | Year ended March 31, 2020 | | | | |
| Balance Sheet As at 1st April 2020 | Recognised in Profit & Loss | Recognised in OCI | Balance Sheet As at 31st March 2021 | Balance Sheet As at 1st April 2019 | Recognised in Profit & Loss | Recognised in OCI | Balance Sheet As at 31st March 2020 |
| 9,57,203 | (1,02,783) | - | 8,54,420 | 10,25,566 | (68,363) | - | 9,57,203 |
| 1,41,373 | (6,198) | - | 1,35,175 | 1,24,797 | 16,576 | - | 1,41,373 |
| 25,18,473 | (25,18,473) | - | - | 23,65,864 | 1,52,609 | - | 25,18,473 |
| - | - | - | - | 24,24,265 | (24,24,265) | - | - |
| - | - | - | - | 3,25,519 | (3,25,519) | - | - |
| 3,35,816 | - | - | 3,35,816 | 3,10,829 | 24,987 | - | 3,35,816 |
| (13,628) | - | (18,626) | (32,254) | 13,745 | - | (27,373) | (13,628) |
| - | - | - | - | - | (13,745) | - | - |
| 1,72,192 | (43,023) | - | 1,29,169 | (77,620) | 2,49,812 | - | 1,72,192 |
| 41,11,429 | (26,70,477) | (18,626) | 14,22,326 | 65,12,965 | (23,87,908) | (27,373) | 41,11,429 |
| | | | | | | | |
| - | - | - | - | - | - | - | - |
| 41,11,429 | (26,70,477) | (18,626) | 14,22,326 | 65,12,965 | (23,87,908) | (27,373) | 41,11,429 |



Reconciliation of deferred tax assets / (liabilities)

| Particulars | As at 31.03.2021 | As at 31.03.2020 |
|--|---------------------|---------------------|
| Opening balance as of 1st April 2020 | 41,11,429 | 65,12,965 |
| Tax income/(expenses) during the year recognised in profit or loss | (26,70,477) | (23,87,908) |
| Tax income/(expenses) during the year recognised in OCI | (18626) | (13,128) |
| Closing Balance as on 31st March 2021 | 14,22,326 | 41,11,429 |

The Company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

The unused tax losses were incurred by the company on loss of long term quoted shares in which company is not likely to generate taxable income in the foreseeable future. The losses can be carried forward as per the provisions of Income Tax Act..

Note : 5

Other Non Current Assets

| Particulars | As at 31.03.2021 | As at 31.03.2020 |
|---|------------------|------------------|
| Advances other than Capital Advances | | |
| Unsecured Considered Good | | |
| Security Deposit | 3,26,500 | 2,75,500 |
| Advance to Supplier | - | 3,43,562 |
| Prepaid Expenses | 24,555 | - |
| Balances with Govt. Authorities | | |
| 4% Additional Duty Receivable | 19,32,635 | 19,32,635 |
| Balances with Govt. Authorities | 24,47,187 | 24,47,187 |
| Others - LIC Gratuity Fund | 5,99,646 | 5,46,890 |
| Total | 53,30,523 | 55,45,774 |

Note : 6

Inventories

| Particulars | As at 31.03.2021 | As at 31.03.2020 |
|-------------------------|--------------------|--------------------|
| Agro Products | 7,09,760 | 1,17,11,055 |
| Coal | 1,20,51,643 | 5,57,204 |
| Stock in Transit - Coal | - | 5,66,36,800 |
| Total | 1,27,61,403 | 6,89,05,059 |

Inventories of coal/ agro products are stated at lower of weighted average cost or net realisable value. (Also Refer Note 2.6)

For charge created on inventories, Refer Note 38

**Note : 7****Trade Receivable**

| Particulars | As at 31.03.2021 | As at 31.03.2020 |
|--|---------------------|---------------------|
| Unsecured | | |
| Considered good | 21,55,86,230 | 15,16,40,980 |
| Considered Doubtful | 15,15,590 | 10,51,286 |
| Less :Allowance for Expected credit loss | (15,15,590) | (10,51,286) |
| | - | - |
| Total | 21,55,86,230 | 15,16,40,980 |

1. Trade receivables are measured at amortised cost
2. No trade or other receivables are due from directors or other officers of the company either severally or jointly with any other persons.
3. Refer Note 35 on Credit Risk of Trade Receivables which explains how the company manages credit quality of Trade Receivables

7.1 Movement of Allowance for expected credit Loss is as follows:-

| Particulars | As at 31.03.2021 | As at 31.03.2020 |
|---|------------------|------------------|
| Balances as at begning of the year | 10,51,286 | 4,32,334 |
| Allowance for Expected credit loss Recognised | 4,64,304 | 6,18,952 |
| Allowance for Expected credit loss Reversed | - | - |
| Balance as at the end of the year | 15,15,590 | 10,51,286 |

Note : 8**Cash & Cash Equivalent**

| Particulars | As at 31.03.2021 | As at 31.03.2020 |
|---|--------------------|------------------|
| Balances with Banks | | |
| In Current Accounts | - | 11,00,571 |
| In Cash Credit Limit | 1,05,28,811 | - |
| Cash Balance (As certified by Management) | 4,76,290 | 10,66,942 |
| Total | 1,10,05,101 | 21,67,513 |

Note : 9**Other Bank Balances**

| Particulars | As at 31.03.2021 | As at 31.03.2020 |
|----------------------------|------------------|------------------|
| Balances with Bank | | |
| Unclaimed Dividend Account | 1,62,860 | 2,55,290 |
| Total | 1,62,860 | 2,55,290 |



Note : 10

Other Current Assets

| Particulars | As at 31.03.2021 | As at 31.03.2020 |
|---|---------------------|--------------------|
| Advances other than Capital Advances | | |
| Unsecured Considered Good | | |
| Advance to Supplier | 7,88,64,897 | 3,03,78,734 |
| Balances with Govt. Authorities | 2,90,41,563 | 1,01,51,436 |
| MAT Credit Entitlement | - | 90,52,743 |
| Other Advances | 62,28,410 | 45,73,158 |
| Advances to Employees | 3,16,161 | 3,75,857 |
| Total | 11,44,51,031 | 5,45,31,928 |

Note : 11

Share Capital

Authorized Share Capital

Equity Shares ₹ 10 par value

| Particulars | No of Shares | Amount |
|---------------------------------------|------------------|--------------------|
| As at 31st March 2020 | 50,00,000 | 5,00,00,000 |
| Increase / (Decrease during the year) | - | - |
| As at 31st March 2021 | 50,00,000 | 5,00,00,000 |

Terms / Rights attached to the equity shares

The company has only one class of equity shares having a Par Value of ₹ 10/- each. Each holder of equity shares is entitled to one vote per share.

The company has not issued any shares or bonus shares nor any shares has been bought back in the last 5 years.

Issued & Subscribed Share Capital

Equity Shares ₹ 10 par value

| Particulars | No of Shares | Amount |
|---------------------------------------|------------------|--------------------|
| As at 31st March 2020 | 36,98,000 | 3,69,80,000 |
| Increase / (Decrease during the year) | - | - |
| As at 31st March 2021 | 36,98,000 | 3,69,80,000 |

Subscribed and fully paid up

Equity Shares ₹ 10 par value

| Particulars | No of Shares | Amount |
|---------------------------------------|------------------|--------------------|
| As at 31st March 2020 | 36,98,000 | 3,69,80,000 |
| Increase / (Decrease during the year) | - | - |
| As at 31st March 2021 | 36,98,000 | 3,69,80,000 |



The reconciliation of the number of equity shares outstanding

| Particulars | As at 31.03.2021 | As at 31.03.2020 |
|--|------------------|------------------|
| Shares outstanding at the beginning of the year | 36,98,000 | 36,98,000 |
| Add: Shares Issued during the year | - | - |
| Less: Shares bought back during the year | - | - |
| Shares outstanding at the end of the year | 36,98,000 | 36,98,000 |

Details of shareholders holding more than 5% share in the company: -

| Name of Shareholder | As at 31.03.2021 | As at 31.03.2020 |
|---------------------|------------------|------------------|
| Vikas Jain | | |
| No. of shares | 345310 | 345310 |
| % held | 9 | 9 |
| Piyush Jain | | |
| No. of shares | 350000 | 345000 |
| % held | 9 | 9 |
| Hemlata Jain | | |
| No. of shares | 1278111 | 1104822 |
| % held | 35 | 30 |

Note : 12

Other Equity

| Particulars | As at 31.03.2021 | As at 31.03.2020 |
|--|---------------------|--------------------|
| General Reserves | | |
| Opening Balance | 39,89,291 | 39,89,291 |
| Retained Earnings | | |
| Opening Balance | 9,41,47,079 | 7,72,81,775 |
| Add: Surplus in Statement of Profit & Loss | 5,71,01,437 | 1,90,59,014 |
| Add/(Less)::Gratuity Exp related to OCI adjusted as per Ind AS | 1,15,939 | 48,985 |
| Add/(Less): Deferred Tax impact related to exp of OCI | (18,626) | (13,628) |
| Total | 15,13,45,829 | 9,63,76,146 |
| Less : Dividend paid | - | (18,49,000) |
| Dividend Distribution Tax | - | (3,80,067) |
| | 15,13,45,829 | 9,41,47,079 |
| Other Equity | | |
| Particulars | | |
| General Reserves | 39,89,291 | 39,89,291 |
| Retained Earnings | 15,13,45,829 | 9,41,47,079 |
| Total Other Reserves | 15,53,35,120 | 9,81,36,370 |

General reserve is created by setting aside amount from the Retained Earnings of the Company for general purposes which is freely available for distribution.

Note : 13

Financial Liabilities

Non-Current Borrowings

| Particulars | As at 31.03.2021 | As at 31.03.2020 |
|--|------------------|------------------|
| Long Term maturities of financial obligations | | |
| From Bank (Secured against vehicle financed) | 4,72,809 | - |
| Total | 4,72,809 | - |

Also Refer Note 36

**Note : 14****Other Equity**

| Particulars | As at 31.03.2021 | As at 31.03.2020 |
|---|------------------|------------------|
| Provisions for employee benefits | | |
| Gratuity Obligation | 2,93,466 | 4,54,691 |
| Total | 2,93,466 | 4,54,691 |

Refer Note 39 for Provisions

Note : 15**Current Borrowings**

| Particulars | As at 31.03.2021 | As at 31.03.2020 |
|--|--------------------|--------------------|
| Interest bearing borrowings from banks payable on Demand. | | |
| Secured | | |
| - From Bank | | |
| Cash Credit Limits | - | 2,52,92,414 |
| (secured by hypothecation of inventory, book debts & personal guarantee of directors.) | | |
| Bank overdraft | - | 33,48,984 |
| Unsecured & Considered Good | | |
| Loans | | |
| From Related Parties | 1,37,00,000 | 2,04,25,000 |
| From Body corporates | 1,50,00,000 | 1,76,80,617 |
| Total | 2,87,00,000 | 6,67,47,015 |

Refer Note 38 for bank securities

Note : 16**Trade Payables**

| Particulars | As at 31.03.2021 | As at 31.03.2020 |
|---|--------------------|--------------------|
| Micro Small and Medium Enterprises (MSME) | - | - |
| Other than MSME | 4,57,90,421 | 6,37,16,054 |
| Total | 4,57,90,421 | 6,37,16,054 |

Trade and other payables are measured at Amortised Cost.

16.1: Due to micro and small enterprises

The information as required to be disclosed under the Micro, Small and Medium Enterprises have been determined, to the extent such parties has been identified on the basis of information available with the company as at Balance Sheet date on which Auditors have relied upon.

| Particulars | As at 31.03.2021 | As at 31.03.2020 |
|--|------------------|------------------|
| Principal amount and interest due: | - | - |
| Principal amount | - | - |
| Interest due | - | - |
| Interest paid by Buyer in terms of section 16 of MSMED Act | - | - |
| Amount paid beyond the appointed day | - | - |
| Interest due and payable to supplier, for payment already made under MSMED Act | - | - |
| Amount of Interest accrued and remaining unpaid at the end of accounting year | - | - |
| Amount of further interest remaining due and payable even in succeeding years | - | - |

**Note : 17****Other Current Financial Liabilities**

| Particulars | As at 31.03.2021 | As at 31.03.2020 |
|---|------------------|------------------|
| Provisions for employee benefits | | |
| Gratuity Obligation | 2,93,466 | 4,54,691 |
| Total | 2,93,466 | 4,54,691 |

| Particulars | As at 31.03.2021 | As at 31.03.2020 |
|--|------------------|------------------|
| Current maturities of long term borrowings (see note below)* | 2,27,240 | 4,25,585 |
| Unclaimed Dividend (see note below)** | 1,62,860 | 2,55,290 |
| Total | 3,90,100 | 6,80,875 |

This includes loans repayable within one year: HDFC BANK (Vehicle Loan): Rs 2,27,241 (31.03.2020 : Rs Nil)

This includes loans repayable within one year: Kotak Mahindra Bank (Vehicle Loan): Rs Nil (31.03.2020 : Rs 4,25,585)

***The figure of 31.03.2021 does not include the amount of Rs. 92,430/-transferred to Investor Education and Protection Fund*

Note : 18**Other Current Liabilities**

| Particulars | As at 31.03.2021 | As at 31.03.2020 |
|---|--------------------|--------------------|
| Advance From Customers | 6,40,01,235 | 1,36,50,899 |
| Other Payables | | |
| Statutory dues including TDS, TCS & GST | 36,84,730 | 25,77,764 |
| Employee Benefits | 75,591 | 31,978 |
| Expenses Payable | 1,32,68,332 | 67,53,237 |
| Total | 8,10,29,888 | 2,30,13,878 |

Note : 19**Current Provisions**

| Particulars | As at 31.03.2021 | As at 31.03.2020 |
|---|------------------|------------------|
| <u>Provision for employee benefits</u> | | |
| Gratuity Obligation | 1,53,903 | 6,556 |
| Leave Encashment | 38,521 | 46,923 |
| Total | 1,92,424 | 53,479 |

Employee benefits obligations**Gratuity**

The Company provided gratuity for employees as per the Gratuity Act, 1972. Employees who are in continuous service for a period of five years are eligible for gratuity. The amount of gratuity is payable on retirement or termination whichever is earlier. The level of benefits provided depends on the member's length of service and salary at retirement age. The gratuity plan is funded plan. (Also Refer Note 39)

Compensated absences

The leave obligation cover the Company's liability for earned leaves. (Also refer Note No. 2.11)



Note : 20

Current Tax Liabilities/(Assets)

| Particulars | As at 31.03.2021 | As at 31.03.2020 |
|--------------------------|--------------------|--------------------|
| Provision for Tax | | |
| Provision for Tax | 2,34,85,485 | 45,87,874 |
| MAT Adjustment | (89,56,394) | |
| Prepaid Taxes | - | (1,09,98,697) |
| Total | 1,45,29,091 | (64,10,823) |

Note : 21

Revenue from Operations

| Particulars | 2020-21 | 2019-20 |
|---------------------------------------|-----------------------|-----------------------|
| <u>Sale of Goods</u> | | |
| Synthetic Rubber | - | 56,38,000 |
| Coal | 2,14,36,69,479 | 99,08,71,362 |
| Agro Products | 95,57,808 | 15,81,12,591 |
| | 2,15,32,27,287 | 1,15,46,21,953 |
| <u>Other Operating Revenue</u> | 10,49,39,724 | 3,67,04,019 |
| Total | 2,25,81,67,011 | 1,19,13,25,972 |

Note : 22

Other Income

| Particulars | 2020-21 | 2019-20 |
|------------------------------------|------------------|-----------------|
| Interest Income | | |
| In FDR's | 1,10,426 | 2,51,114 |
| Misc. Income | 16,727 | 6,443 |
| Credit Balances written back (Net) | 18,34,417 | 68,414 |
| Profit on Sale of Fixed Assets | 1,24,508 | - |
| Total | 20,86,078 | 3,25,971 |

Note : 23

Purchase of Stock in Trade

| Particulars | 2020-21 | 2019-20 |
|--|-----------------------|-----------------------|
| <u>Purchase of Traded Goods</u> | | |
| Synthetic Rubber | | |
| Domestic | - | - |
| Imported | - | 56,49,253 |
| Agro Products | | |
| Domestic | 10,142 | 1,50,43,129 |
| Imported | - | 10,43,27,230 |
| Coal | | |
| Domestic | 93,22,407 | - |
| Imported | 1,98,14,48,175 | 1,00,78,85,444 |
| Total | 1,99,07,80,724 | 1,13,29,05,056 |

Coal purchased from local Importers & lifted from port is classified as imported coal,

**Note : 24****Changes in Inventories of Stock in Trade**

| Particulars | 2020-21 | 2019-20 |
|---|--------------------|----------------------|
| <u>Inventories at the end of the year</u> | | |
| Coal | 1,20,51,643 | 5,57,204 |
| Stock in Transit - Coal | - | 5,66,36,800 |
| Agro Products | 7,09,760 | 1,17,11,055 |
| | 1,27,61,403 | 6,89,05,059 |
| <u>Inventories at the beginning of the year</u> | | |
| Synthetic Rubber | - | - |
| Coal | 5,57,204 | 2,90,843 |
| Stock in Transit - Coal | 5,66,36,800 | - |
| Agro Products | 1,17,11,055 | 4,86,78,119 |
| | 6,89,05,059 | 4,89,68,962 |
| | | |
| Net Increase | 5,61,43,656 | (1,99,36,097) |

Note : 25**Employee Benefits**

| Particulars | 2020-21 | 2019-20 |
|--|------------------|------------------|
| Salaries | 38,39,796 | 33,15,649 |
| Contribution to Provident & Other Fund | 2,51,615 | 2,71,949 |
| Staff Welfare Expenses | 1,93,990 | 2,81,482 |
| Group Insurance | 18,176 | 35,762 |
| Expenses Related to Gratuity (Refer Note 39) | 68,414 | 34,891 |
| Total | 43,71,991 | 39,39,733 |

Note : 26**Financial Cost**

| Particulars | 2020-21 | 2019-20 |
|--|------------------|------------------|
| Interest Expenses on Short Term Borrowing | | |
| Bank Interest | 43,09,416 | 43,17,456 |
| Other Borrowing Cost | 25,40,590 | 34,03,108 |
| Total | 68,50,006 | 77,20,564 |

**Note : 27****Other Expenses**

| Particulars | 2020-21 | 2019-20 |
|---|---------------------|--------------------|
| Advertisement & Promotion | 59,840 | 64,240 |
| Audit Fee (refer Note below) | 2,75,294 | 2,16,294 |
| Bad Debts W/off | 64,84,712 | 2,04,315 |
| Computer Expenses | 70,457 | 1,04,620 |
| Conveyance/Travelling Expenses | 3,66,021 | 4,06,854 |
| Loss on discard of Assets | - | 39,434 |
| Electricity/Water Expenses | 1,23,853 | 2,93,252 |
| Freight & Forwarding charges | 8,63,64,386 | 2,90,81,880 |
| General Expenses | 18,52,503 | 10,29,357 |
| Genset Expenses | - | 23,844 |
| Insurance Expenses | 1,95,097 | 2,85,639 |
| Internal Audit Fee | 47,200 | 47,200 |
| Interest , Penalty,Demand Income Tax PF/ TDS/TCS | 5,34,455 | 69,240 |
| Listing Fees | 3,00,000 | 3,00,000 |
| Office Running & Maintenance Expenses/Renovation Expenses | 1,17,752 | 1,90,366 |
| Postage & Courier Charges | 5,649 | 34,991 |
| Allowance for Expected Credit Losses | 4,64,304 | 6,18,952 |
| Printing & Stationery Charges | 46,883 | 81,102 |
| Legal & Professional | 4,05,820 | 5,22,380 |
| Rent | 42,28,040 | 21,94,110 |
| Sale Tax Paid/Demand | 60,100 | 43,696 |
| Selling Expenses | 1,39,25,167 | 28,13,270 |
| Testing charges | 21,150 | - |
| Telephone / Internet Expenses | 71,067 | 1,65,591 |
| Vehicle Running & Maintenance Expenses | 3,11,395 | 1,75,413 |
| Quality Claim | 18,00,095 | - |
| Total | 11,81,31,240 | 3,90,06,040 |

Note

| Particulars | 2020-21 | 2019-20 |
|---|-----------------|-----------------|
| Payment to auditor comprises as under: - | | |
| Audit Fee | 2,15,114 | 1,79,714 |
| Tax Audit Fee | 60,180 | 36,580 |
| Total | 2,75,294 | 2,16,294 |

Note : 28**Exceptional Item**

| Particulars | 2020-21 | 2019-20 |
|--|----------|------------------|
| Loss on Sale of Investment in Subsidiary | - | 10,00,000 |
| Total | - | 10,00,000 |

**Note : 29****Earning per share**

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders by the weighted average number of equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit for the year attributable to equity holders by the weighted average number of equity shares outstanding during the year.

Profit attributable to Equity Holders

| Particulars | 2020-21 | 2019-20 |
|--|-------------|-------------|
| Net profit/(loss) attributable to equity shareholders (after taxes) | 5,71,01,437 | 1,90,59,014 |
| Number of weighted shares outstanding at the end of the reporting period | 36,98,000 | 36,98,000 |
| Basic & Diluted Earning Per Share | 15.44 | 5.15 |

Note : 30**Major components of Income Tax Expenses consists of the following****1 - Income Tax recognised in Statement of Profit & Loss**

| Particulars | As at 31.03 2021 | As at 31.03 2020 |
|---|---------------------|---------------------|
| Current Tax In respect of the current year | 2,34,85,485 | 45,87,874 |
| Previous year Tax Adjustment | (6,966) | 22,454 |
| Deferred Tax In respect of the current year | 26,70,477 | 23,87,908 |
| Tax expenses recognised through statement of profit and loss | 2,61,48,996 | 69,98,236 |

Recognised in Other Comprehensive Income (OCI)

Deferred Tax on remeasurements of defined benefit plans 18,626 13,628

The Income tax expenses for the year can be reconciled to the accounting Profit as follows:

| Particulars | As at 31.03 2021 | As at 31.03 2020 |
|--|---------------------|---------------------|
| Profit before tax as per books | 8,32,50,433 | 2,60,57,251 |
| Income tax calculated | 2,31,60,269 | 72,49,127 |
| Add: Tax Effect on non deductible expense | 6,01,089 | 5,39,864 |
| Less : Tax Effect on allowable expense | (2,75,873) | (2,97,071) |
| Total | 2,34,85,485 | 74,91,920 |
| Less : Tax Effect on Brought forward losses | - | (25,52,360) |
| Less : Tax Effect on Depreciation Setoff | - | (3,51,687) |
| Income tax calculated as per Income Tax (A) | 2,34,85,485 | 45,87,874 |
| Profit as per MAT | 8,32,50,433 | 2,60,57,251 |
| Income tax calculated as per MAT | 1,24,87,565 | 39,08,588 |
| Add: Tax Effect on non deductible expense | 69,646 | 92,843 |
| Less : Tax Effect on allowable expense | - | - |
| Tax expense as per Statement of Profit & Loss account (B) | 1,25,57,211 | 40,01,431 |
| Higher of A or B is the tax expense during the year | 2,34,85,485 | 45,87,874 |

**Note : 31****Contingent Liabilities (not provided for) in respect of:**

| Contingent Liabilities | 2020-21 | 2019-20 |
|--|-----------|-----------|
| Foreign LCs | Nil | Nil |
| Bank Guarantee (Indian) | Nil | Nil |
| Corporate Guarantee | Nil | Nil |
| Demands not acknowledged as debts and not provided for, in respect of which the matters are in appeal and exclusive of the effect of similar matters in respect of assessments remaining to be completed | Nil | Nil |
| Sale Tax Demand F.Y. 2013-14 pending in Appeal | 17,74,874 | 17,74,874 |

The Company does not have any pending litigation for which provisions are required to be disclosed as contingent liabilities.

Note : 32**Expenditure and Earnings in Foreign Currencies**

| Particulars | 2020-21 | 2019-20 |
|-------------|---------|---------|
| Expenditure | Nil | Nil |
| Earnings | Nil | Nil |

Note : 33**Value of Imports on CIF Basis**

| Particulars | 2020-21 | 2019-20 |
|---------------|---------|-------------|
| Trading Goods | Nil | 1003 (Lacs) |

Note : 34**Related Parties have been identified as defined under Clause 9 of Accounting Standard (Ind AS 24) "Related Party Disclosures"****Disclosure in respect of Related Party Disclosure (As per Revised AS – 18)**

The Management has identified the following Companies and individuals as related parties of the Company for the year ended 31st March, 2021 for the purposes of reporting as per AS 18 – "Related Party Transactions":-

(A) Name of related parties and description of relationship:

- | | |
|------------------------|-----|
| 1. Subsidiaries | Nil |
| 2. Fellow Subsidiaries | Nil |
| 3. Associates | Nil |



4. Director, Key Managerial Personnel & their Relatives

Mr. Gajraj Jain - CMD

Mrs. Hemlata Jain - Woman Director

Mr. Amar Singh - CFO

Mis. Komal - Company Secretary (w.e.f. 20/06/2020)

*Mr. Prakash Goyal-Independent Director

Mr. Nishant Goyal-Independent Director (resigned as on 20/06/2020)

Mr. Jitendra Kumar Mishra - Independent Director

*Mr. Prakash Goyal (Independent Director) ceased from the directorship due to death dated May 01, 2021

5. Entities of Relative of KMP

Mr. Akash Jain - Alsan Rubber And Chemicals Pvt. Ltd.

Mr. Vikas Jain - South West Pinnacle Exploration Ltd.

(B) Transactions with Related Parties during the Financial Year and Outstanding Balances as on 31.03.2021

Amount in Rs.

| Nature of Transactions | Key Mgt Personnel | | Entities of Relative of KMP | |
|-------------------------------|-------------------|---------------|-----------------------------|--------------|
| | 2021 | 2020 | 2021 | 2020 |
| Loans Received | 4,55,50,000 | 6,93,50,000 | - | - |
| Loans Repaid | 5,22,75,000 | 9,24,25,000 | - | - |
| Investment Sold | - | - | - | 50,00,000 |
| Rent Paid | - | - | 9,00,000 | 5,25,000 |
| Balances with related parties | | | | |
| Borrowings | 13700000 Cr. | 20,425,000 Cr | - | - |
| Advances | - | - | 32,77,550 Dr | 41,27,550 Dr |
| Rent Payable | | | 81,000 | 1,62,000 |

Note : 35

Impairment of Trade Receivables

Under IGAAP, the Company recognised provision on Trade Receivables based on specific provisions to reflect the company's expectation. Under Ind AS, impairment of Trade Receivables shall be recognised based on Expected Credit Loss.

Trade Receivables

The company's exposure to credit risk is influenced mainly by the individual characteristics of each customer, Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the company grant credit terms in the normal course of business.

The Company uses an allowance matrix to measure the expected credit losses of trade receivables (which are considered good). The following table provides information about the exposure to credit risk and loss allowance (including expected credit loss provision) for trade receivables:



| | 31.03.2021 | | | 31.03.2020 | | |
|----------------|-----------------------|---------------------------|------------------|-----------------------|---------------------------|------------------|
| | Gross carrying amount | Weighed average loss rate | Loss allowances | Gross carrying amount | Weighed average loss rate | Loss allowances |
| Not Due | 16,97,03,247 | 0.25% | 4,24,258 | 11,64,06,964 | 0.25% | 2,91,017 |
| 0-90 Days | 2,33,10,128 | 0.30% | 69,930 | 1,29,24,980 | 0.28% | 36,190 |
| 90-180 Days | 36,59,227 | 0.80% | 29,274 | 11,47,580 | 0.76% | 8,722 |
| 181-270 Days | 42,95,347 | 1.50% | 64,430 | 94,47,657 | 1.48% | 1,39,825 |
| 271-365 Days | - | 1.75% | - | - | 1.63% | - |
| above 365 Dsys | 1,61,33,871 | 5.75% | 9,27,698 | 1,27,89,600 | 4.50% | 5,75,532 |
| | 21,71,01,820 | | 15,15,590 | 15,27,16,781 | | 10,51,286 |

Note : 36**Financial risk management**

The company's Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Board of Directors has established the Audit Committee, which is responsible for developing and monitoring the Company's risk management policies. The Committees reports regularly to the Board of Directors on its activities.

The Company's risk management policies are established to identify and analyse the risk faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company's Audit Committee oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The Audit Committee is assisted in its oversight role by an internal audit team. Internal audit team undertakes both regular and adhoc reviews of risk management controls and procedures, the results of which are reported to the Audit Committee.

The Company has exposure to the following risks arising from financial instruments:

Credit Risk**Liquidity Risk****Market 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 and investment securities. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the company grants credit terms in the normal course of business. The company establishes an allowance for doubtful debts and impairment that represents its estimate of incurred losses in respect of trade and other receivables and investments.

The maximum exposure to credit risk in case of all the financial instruments covered below is restricted to their respective carrying amount.

Liquidity Risk

Liquidity risk is the risk that the Company will encounter if there is difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to Company's reputation.



Maturities of financial liabilities

Non- Derivative Financial Liabilities

March 31, 2021

| Particulars | Carrying Amount | Less than 1 year | Less than 1-2 year | More than 2 year | Total |
|-------------------------------------|-----------------|------------------|--------------------|------------------|-------------|
| Borrowing | 2,87,00,000 | 2,87,00,000 | | | 2,87,00,000 |
| Vehicle Loans | 9,45,617 | 4,72,809 | 2,48,337 | 224471.55 | 9,45,617 |
| Trade Payables | 4,57,90,421 | 4,57,90,421 | - | - | 4,57,90,421 |
| Other Current financial Liabilities | 1,62,860 | 1,62,860 | - | - | 1,62,860 |

March 31, 2020

| Particulars | Carrying Amount | Less than 1 year | Less than 1-2 year | More than 2 year | Total |
|-------------------------------------|-----------------|------------------|--------------------|------------------|-------------|
| Borrowing | 6,67,47,015 | 6,67,47,015 | | | 6,67,47,015 |
| Vehicle Loans | 4,25,585 | 4,25,585 | - | - | 4,25,585 |
| Trade Payables | 6,37,16,054 | 6,37,16,054 | - | - | 6,37,16,054 |
| Other Current financial Liabilities | 2,55,290 | 2,55,290 | - | - | 2,55,290 |

Capital Risk Management

The Company manages its capital to ensure that it will be able to continue as a going concern. The structure is managed to maintain an investment grade credit rating, to provide ongoing returns to shareholders and to service debt obligations, whilst maintaining maximum operational flexibility.

Consistent with others in the industry, the Company monitors capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by Equity. Net debt is calculated as total borrowings (including 'current and non-current term loans' as shown in the balance sheet) less cash and cash equivalents.

| Particulars | Note | As at March 31st, 2021 | As at March 31st, 2020 |
|----------------------------------|-------------|---------------------------|---------------------------|
| Borrowing including Term Loans | 13, 15 & 17 | 2,94,00,049 | 6,67,47,015 |
| Less : Cash and Cash equivalents | 8 | 1,10,05,101 | 21,67,513 |
| Net Debt | | 1,83,94,948 | 6,45,79,502 |
| Total Equity | 11 & 12 | 19,23,15,120 | 13,51,16,370 |
| Gearing Ratio - % | | 9.57 | 47.80 |

Market Risk

Market risk is the risk that the changes in market prices such as foreign exchange rates, interest rates and equity prices will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

The Company uses derivatives to manage its exposure to foreign currency risk and interest rate risk. All such transactions are carried out within the guidelines set by the risk management committee.



Foreign Currency Risk

The primary market risk to the Company's is foreign exchange risk. The Company is exposed to foreign exchange risk through its purchases from overseas suppliers and payment of services availed in various foreign currencies. The Company pays off its foreign exchange exposure within a short period of time, thereby mitigating the risk of material changes in exchange rate of foreign currency exposure.

The following tables display foreign currency risk from financial instruments as at March 31, 2021 and March 31, 2020:

| Particulars | Foreign Currency | As at March 31st, 2021 | As at March 31st, 2020 |
|----------------------------|------------------|---------------------------|---------------------------|
| Trade Payables | U.S. Dollars | Nil | Nil |
| Trade Receivables | U.S. Dollars | Nil | Nil |
| Net Receivable/ (Payables) | | - | - |

Note : 37

FINANCIAL INSTRUMENTS

Financial Assets

Amount in ₹

| Particulars | Note | At Amortised Cost | | At Amortised Cost | |
|-----------------------------|----------|----------------------|--------------|----------------------|--------------|
| | | As at March 31, 2021 | | As at March 31, 2020 | |
| | | Carrying Amount | Fair Value | Carrying Amount | Fair Value |
| 1. Financial assets | A | | | | |
| a) Trade receivables | | 21,55,86,230 | 21,55,86,230 | 15,16,40,980 | 15,16,40,980 |
| b) Cash & Cash Equivalents | | 1,10,05,101 | 1,10,05,101 | 21,67,513 | 21,67,513 |
| c) Other bank balances | | 1,62,860 | 1,62,860 | 2,55,290 | 2,55,290 |
| d) Other Current Assets | | 11,44,51,031 | 11,44,51,031 | 5,69,79,115 | 5,69,79,115 |
| e) Other Non Current Assets | | 53,30,523 | 53,30,523 | 30,98,587 | 30,98,587 |

Financial Liabilities

Amount in ₹

| Particulars | Note | At Amortised Cost | | At Amortised Cost | |
|--|----------|----------------------|-------------|----------------------|-------------|
| | | As at March 31, 2021 | | As at March 31, 2020 | |
| | | Carrying Amount | Fair Value | Carrying Amount | Fair Value |
| 1. Financial liability | | | | | |
| a) Borrowings (Non-Current) | B | 4,72,809 | 4,72,809 | - | - |
| c) Borrowings | | 2,87,00,000 | 2,87,00,000 | 6,67,47,015 | 6,67,47,015 |
| d) Trade Payables | | 4,57,90,421 | 4,57,90,421 | 6,37,16,054 | 6,37,16,054 |
| e) Other Financial Liabilities (Current) | | 3,90,100 | 3,90,100 | 6,80,875 | 6,80,875 |
| f) Other Current Liabilities | | 8,10,29,888 | 8,10,29,888 | 2,30,13,878 | 2,30,13,878 |

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

The following methods and assumptions were used to estimate the fair values.

A. The fair value of cash and cash equivalents, bank balances other than Cash and cash equivalents, trade receivables, loans, current financial assets, trade payables and current financial liabilities approximate their carrying amount, largely due to the short-term nature of these instruments. The change in the Fair Value of Non-Current Financial Asset and Liability is insignificant and hence carrying value and fair value is taken same.

B. Long-term borrowings measured at amortized cost are evaluated by the Company based on parameters such as interest rates, specific country risk factors, credit risk and other risk characteristics. Fair value of borrowings approximates their carrying values. Risk of other factors for the company is considered to be insignificant in valuation.

**Note : 38****Securities for Borrowings****Short Term Borrowings:**

| Particulars | Year | Amount | Security | ROI on Reporting Date |
|---------------------------------------|------------|---------------|--|-----------------------|
| SBI - Cash Credit | | | | |
| Sanctioned - Fund Based - 3 Crores | 31.03.2021 | (1,05,28,811) | Hypothecation of Inventories finished goods and hypothecation of all present and future book debts/cheques receivables financed. | 8.45% |
| | 31.03.2020 | 2,52,92,414 | | 9.55% |
| - Non Fund Based - 3 Crores | | - | Personal Guarantee and immovable property of the Directors | Fully Repaid |
| Bank Overdraft | | | | |
| Yes Bank | 31.03.2021 | Nil | Account closed during the year | Fully Repaid |
| Yes Bank | 31.03.2020 | 33,48,984 | Lien on Agro Commodities | ROI - 9.95% |
| Loans & advances from related parties | 31.03.2021 | 1,37,00,000 | Unsecured Loan | Int. Free |
| | 31.03.2020 | 2,04,25,000 | Unsecured Loan | Int. Free |
| Loans & advances from other parties | 31.03.2021 | 1,50,00,000 | Unsecured Loan | ROI - 10% |
| | 31.03.2020 | 1,76,80,617 | Unsecured Loan | ROI - 10% |

Note : 39**Disclosure pursuant to Employee Benefits****Defined Benefit Plans - Gratuity****A) Scope & Purpose**

The actuary carried out the actuarial valuation of your company for the above purpose on request. This report has been prepared with the objective of identifying the financial status and required disclosure figures of actuarial liability for Gratuity liability of the employees, in accordance with IND AS 19. This report does not constitute a formal funding actuarial valuation of the Plan and does not present any recommendation of contributions or funding levels. The amounts given in this report are in Indian rupees (INR). The report must be considered in its entirety. Individual sections if considered in isolation could be misleading.

B) Summary of results

| Assets / Liability | 31-03-2021 | 31-03-2020 |
|---|------------|------------|
| Present value of obligation | 447369 | 461247 |
| Fair value of plan assets | 599646 | 546890 |
| Net assets / (liability) recognized in balance sheet as provision | 1,52,277 | 85,643 |

2. Summary of membership data

| | 31-03-2021 | 31-03-2020 |
|--|------------|------------|
| Number of employees | 13 | 6 |
| Total Monthly Salary | 2.17 | 0.87 |
| Average Past Service (Years) | 3.56 | 9.62 |
| Average Age | 36.86 | 41.74 |
| Average remaining working life (Years) | 21.14 | 16.26 |
| weighted average duration | 18.12 | 14.36 |



3. Actuarial Assumptions

Company attention was drawn to provisions of accounting standard that actuarial assumptions are an entity's best estimates of variables that will determine the ultimate cost of providing post employment benefits and shall be unbiased & mutually compatible.

a) Economic Assumptions

The principal assumptions are the discount rate & salary growth rate. The discount rate is generally based upon the market yields available on Government bonds at the accounting date relevant to currency of benefit payments for a term that matches the liabilities. Salary growth rate is company's long term best estimate as to salary increases & takes account of inflation, seniority, promotion, business plan, HR policy and other relevant factors on long term basis as provided in relevant accounting standard. These valuation assumptions are as follows & have been received as input from you.

| | 31-03-2021 | 31-03-2020 |
|----------------------------|------------|------------|
| i) Discounting Rate | 6.80% | 6.92 |
| ii) Future salary Increase | 6.00% | 6.00 |

b) Demographic Assumption

Attrition rates are the company's best estimate of employee turnover in future determined considering factors such as nature of business & industry, retention policy, demand & supply in employment market, standing of the company, business plan, HR Policy etc as provided in the relevant accounting standard. Attrition rates as given below have been received as input from the company.

| | 31-03-2021 | 31-03-2020 |
|--|--------------|--------------|
| i) Retirement Age (Years) | 58 | 58 |
| ii) Mortality rates inclusive of provision for disability ** | 100% of IALM | 100% of IALM |
| iii) Attrition at Ages | Withdrawal | Withdrawal |
| | Rate (%) | Rate (%) |
| Up to 30 Years | 1 | 1 |
| From 31 to 44 years | 1 | 1 |
| Above 44 years | 1 | 1 |

4. Actuarial Method

- I have used the projected unit credit (PUC) actuarial method to assess the plan's liabilities allowing for retirement, death-in-service and withdrawal and also compensated absence while in service.
- Under the PUC method a projected accrued benefit is calculated at the beginning of the period and again at the end of the period for each benefit that will accrue for all active members of the plan. The projected accrued benefit is based on the plan accrual formula and upon service as at the beginning and end of the period, but using member's final compensation, projected to the age at which the employee is assumed to leave active service. The plan liability is the actuarial present value of the projected accrued benefits as on the date of valuation for active members.



5. Scale of Benefits

| | |
|--|--|
| Salary for calculation of gratuity | Last drawn qualifying salary. |
| Vesting Period | 5 years of service. |
| Benefit on normal retirement | As per the provisions of payment of Gratuity Act 1972 as amended. |
| Benefit on early retirement / withdrawal / resignation | Same as normal retirement benefit based on service upto the date of exit. |
| Benefit on death in service | Same as normal retirement benefit based on service upto the date of death & no vesting conditions apply. |
| Limit | 20.00 Lakhs. |

No discretionary benefits policy of past & future have been reported & valued by me.

No Change in benefit scales has been reported since the last valuation.

6. Plan Liability

The actuarial value of gratuity liability calculated on the above assumptions works out as under.

| Date Ending | 31-03-2021 | 31-03-2020 |
|---|------------|------------|
| Present value of obligation as at the end of the period | 447369 | 461247 |

7. Service Cost

| | 31-03-2021 | 31-03-2020 |
|--|------------|------------|
| Current Service Cost | 74,341 | 40,371 |
| Past Service Cost including curtailment Gains/Losses | -- | -- |
| Gains or Losses on Non routine settlements | -- | -- |
| Total Service Cost | 74,341 | 40,371 |

8. Net Interest Cost

| | 31-03-2021 | 31-03-2020 |
|---|------------|------------|
| Interest Cost on Defined Benefit Obligation | 31,918 | 33,722 |
| Interest Income on Plan Assets | 37,845 | 39,202 |
| Net Interest Cost (Income) | (5,927) | (5,480) |

9. Change in Benefit Obligation

| | 31-03-2021 | 31-03-2020 |
|---|------------|------------|
| Present value of obligation as at the beginning of the period | 4,61,247 | 4,40,229 |
| Acquisition adjustment | -- | -- |
| Interest Cost | 31,918 | 33,722 |
| Service Cost | 74,341 | 40,371 |
| Past Service Cost including curtailment Gains/Losses | -- | -- |
| Benefits Paid | - | -- |
| Total Actuarial (Gain)/Loss on Obligation | (1,20,137) | (53,075) |
| Present value of obligation as at the End of the Period | 447369 | 461247 |



10. Bifurcation of Actuarial Gain/Loss on Obligation

| | 31-03-2021 | 31-03-2020 |
|--|------------|------------|
| Actuarial (Gain)/Loss on arising from Change in Demographic Assumption | -- | -- |
| Actuarial (Gain)/Loss on arising from Change in Financial Assumption | 3,622 | 30,533 |
| Actuarial (Gain)/Loss on arising from Experience Adjustment | (1,23,759) | (83,608) |

Significance of actuarial gain/loss - Recurring significant amount of actuarial gain/loss arising from experience as percentage of PBO in a year indicates that valuation assumptions need reconsideration unless it is caused by some exceptional event during the inter-valuation period.

11. Actuarial Gain/Loss on Plan Asset

| | 31-03-2021 | 31-03-2020 |
|---|------------|------------|
| Expected Interest Income | 37,845 | 39,202 |
| Actual Income on Plan Asset | 33,647 | 35,112 |
| Actuarial gain / (loss) for the year on Asset | (4,198) | (4,090) |

12. Balance Sheet and related analysis

| | 31-03-2021 | 31-03-2020 |
|---|------------|------------|
| Present Value of the obligation at end | 447369 | 461247 |
| Fair value of plan assets | 599646 | 546890 |
| Unfunded Liability/provision in Balance Sheet | 1,52,277 | 85,643 |

13. The amounts recognized in the income statement.

| | 31-03-2021 | 31-03-2020 |
|--|------------|------------|
| Total Service Cost | 74,341 | 40,371 |
| Net Interest Cost | (5,927) | (5,480) |
| Expense recognized in the Income Statement | 68,414 | 34,891 |

14. Other Comprehensive Income (OCI)

| | 31-03-2021 | 31-03-2020 |
|---|------------|------------|
| Net cumulative unrecognized actuarial gain/(loss) opening | | |
| Actuarial gain / (loss) for the year on PBO | 1,20,137 | 53,075 |
| Actuarial gain / (loss) for the year on Asset | (4,198) | (4,090) |
| Unrecognized actuarial gain/(loss) at the end of the year | 1,15,939 | 48,985 |



15. Change in plan assets

| | 31-03-2021 | 31-03-2020 |
|--|------------|------------|
| Fair value of plan assets at the beginning of the period | 5,46,890 | 5,11,778 |
| Actual return on plan assets | 33,647 | 35,112 |
| Employer contribution | 19,109 | - |
| Benefits paid | -- | -- |
| Fair value of plan assets at the end of the period | 5,99,646 | 5,46,890 |

16. Major categories of plan assets (as percentage of total plan assets)

| | 31-03-2021 | 31-03-2020 |
|-----------------------------------|-------------|-------------|
| Government of India Securities | -- | -- |
| State Government securities | -- | -- |
| High Quality Corporate Bonds | -- | -- |
| Equity Shares of listed companies | -- | -- |
| Property | -- | -- |
| Funds Managed by Insurer | 100% | 100% |
| Bank Balance | -- | -- |
| Total | 100% | 100% |

17. Change in Net Defined Benefit Obligation

| | 31-03-2021 | 31-03-2020 |
|--|------------|------------|
| Net defined benefit liability at the start of the period | (85,643) | (71,549) |
| Acquisition adjustment | -- | -- |
| Total Service Cost | 74,341 | 40,371 |
| Net Interest cost (Income) | (5,927) | (5,480) |
| Re-measurements | (1,15,939) | (48,985) |
| Contribution paid to the Fund | (19,109) | - |
| Benefit paid directly by the enterprise | - | -- |
| Net defined benefit liability at the end of the period | (1,52,277) | (85,643) |

18. Bifurcation of PBO at the end of year in current and non current.

| | 31-03-2021 | 31-03-2020 |
|--|-----------------|-----------------|
| Current liability (Amount due within one year) | 1,53,903 | 6,556 |
| Non-Current liability (Amount due over one year) | 2,93,466 | 4,54,691 |
| Total PBO at the end of year | 4,47,369 | 4,61,247 |



19. Expected contribution for the next Annual reporting period.

| | 31-03-2021 | 31-03-2020 |
|---|------------|------------|
| Service Cost | 1,15,793 | 49,562 |
| Net Interest Cost | (10,355) | (5,926) |
| Expected Expense for the next annual reporting period | 1,05,438 | 43,636 |

20. Expected contribution for the next Annual reporting period.

| | |
|--|---------------|
| a) Impact of the change in discount rate | |
| Present Value of Obligation at the end of the period | 447369 |
| Impact due to increase of 0.50% | (16,709) |
| Impact due to decrease of 0.50 % | 17,958 |

| | |
|--|---------------|
| b) Impact of the change in salary increase | |
| Present Value of Obligation at the end of the period | 447369 |
| Impact due to increase of 0.50% | 18,009 |
| Impact due to decrease of 0.50 % | (16,907) |

Sensitivities due to mortality & withdrawals are not material & hence impact of change due to these not calculated.

Sensitivities as rate of increase of pensions in payment, rate of increase of pensions before retirement & life expectancy are not applicable.

21. Maturity Profile of Defined Benefit Obligation

| Year | Amount |
|----------------|--------|
| 0 to 1 Year | 153903 |
| 1 to 2 Year | 2924 |
| 2 to 3 Year | 3693 |
| 3 to 4 Year | 3815 |
| 4 to 5 Year | 4088 |
| 5 to 6 Year | 4169 |
| 6 Year onwards | 274777 |

**Note : 40****Segment Reporting**

The Company is predominantly engaged in commodities trading of Rubber & Chemicals, Agro Products and Coal, which has been identified as main business segment.

| S No. | Particulars | Commodities | | Other unallocable | | Total | |
|-------|---------------------------------------|-------------|-----------|-------------------|---------|-----------|-----------|
| | | 2020-21 | 2019-20 | 2020-21 | 2019-20 | 2020-21 | 2019-20 |
| 1 | Revenue | | | | | | |
| | Intersegment Sale | 22,581.67 | 11,913.26 | - | - | 22,581.67 | 11,913.26 |
| | Other Income | 20.86 | 3.26 | - | - | 20.86 | 3.26 |
| | Total Net Sale/Income from operations | 22,602.53 | 11,916.52 | - | - | 22,602.53 | 11,916.52 |
| 2 | Results | | | | | | |
| | Segment Results | 901.00 | 347.78 | - | - | 901.00 | 347.78 |
| | Operating Profit/(Loss) | | | | - | 901.00 | 347.78 |
| | Interest Exp. | | | | | 68.50 | 77.21 |
| | Profit/(Loss) Before Tax | | | | | 832.50 | 270.57 |
| | Exceptional Items | | | | | - | 10.00 |
| | Tax Expenses | | | | | 261.49 | 69.98 |
| | Profit/(Loss) After Tax | | | | | 571.01 | 190.59 |
| 3 | Other Information | | | | | | |
| | Segment Assets | 3,637.13 | 2,897.82 | - | - | 3,637.13 | 2,897.82 |
| | Segment Liabilities | 1,713.98 | 1,546.66 | - | - | 1,713.98 | 1,546.66 |
| 4 | Other | | | | | | |
| | Capital Expenditure | - | - | - | - | - | - |
| | Depreciation | - | - | 7.25 | 9.59 | 7.25 | 9.59 |
| | Non cash expenses other than | - | - | - | - | - | - |

Note : 41

Previous year figures have been regrouped / rearranged wherever considered necessary to make them comparable with those of the current year.

As per our Report of even date.

For Mittal Garg Gupta & Co
Chartered Accountants
FRN: 01659IN

For and on behalf of the Board of Directors

CA Sanjay Gupta
Partner
M No : 093321

Gajraj Jain **Jitendra Kumar Mishra**
Chairman Cum Managing Director **Director**
DIN -00049199

DIN - 07983426

Place: New Delhi
Dated: 25th June, 2021

Komal
Company Secretary

Amar Singh
Chief Financial Officer



www.cpil.com

CHANDRA PRABHU INTERNATIONAL LIMITED

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Corporate Office:

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Gurugram, Haryana-122009

Branches :

Bokaro | Chandasi | Kolkata | Gandhidham (Gujarat)