



CHANDRA PRABHU  
INTERNATIONAL LIMITED

2021-22



37th  
**ANNUAL REPORT**

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# At a Glance

## DRIVING 35+ YEARS OF EXCELLENCE

Values are the guiding principles that we use across our verticals to underpin decision-making, guide our conduct and define our culture. By working together with these values every day, we build a more successful and sustainable business.

For more than 35 years, we have continued to grow our capacities, capabilities and in turn, value for our stakeholders. Our passion to explore emerging opportunities and re-engineer our business processes, has led to our growth in the industry.

We have met our customers' needs and contributed to the nation's development with our innovative strategies and focused commitments. Led by our Chairman and visionary, Mr. Gajraj Jain, the Company is positioned perfectly to deliver sustainable growth with a well-balanced business portfolio that extends across industrial explosives and ammunition.

# Introducing Chandra Prabhu



## Under Top 2000 Company



Joyful Moment for the Company to announce that with the co-operation of all the stakeholders, employees, your Company **CHANDRA PRABHU INTERNATIONAL LIMITED** as per the Market Capitalization of March 31, 2022 come under the category of Top 2000 Listed Companies.

*Thanks  
To All The  
Stakeholder,  
Employees  
For Their  
Co-operation  
And Trust  
In The Company.*



# PROGRESS & GROWTH

2021-22

REVENUE: 72568.83 Lacs

PAT: 2022.40 Lacs

2020-21

REVENUE: Rs. 22581.67 Lacs

PAT: Rs. 571.01 Lacs

2019-20

REVENUE: Rs. 11913.26 Lacs

PAT: Rs. 190.59 Lacs

2018-19

REVENUE: Rs. 9042.46 Lacs

PAT: Rs. 343.87 Lacs



**COAL  
TRADING**

The illustration features a large white circle with the text 'COAL TRADING' in bold black letters. Surrounding the circle are various icons: a yellow dump truck carrying coal, a large blue diamond, a pink gemstone, and a yellow and black jackhammer. In the background, there are stylized grey clouds and four vertical black bars of varying heights.

## OUR VISION



**T**o emerge as a global leader in the trading of coal and promote higher levels of excellence. To focus on safety, quality and reliability. To emerge as a global 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.





## SUSTENANCE

The Indian business landscape is evolving at a rapid pace than expected. Newer technologies and business models are disrupting the existing environment. We are focusing on building sound and robust systems that can withstand any form of disruption. Our business restructuring decision is a testament of the same.



## PROGRESSION

Our inspiring legacy, inherent strength and passion for performing prepare us for the new era of growth. We deliver products that enrich the quality of consumers' lives. Our corporate philosophy is to think beyond the conventional, embrace innovation.



## ETHICAL BUSINESS CONDUCT

Ethical governance is of paramount importance and one of our most valued assets. We are always working toward and implementing substantial measures that are tailored to show and integrate ethical ideals and behavioural standards across all organisational levels to instil high levels of discipline and conduct. Furthermore, we are bolstering the organization's, management's, and employee's morale to ensure that our actions and operations adhere to our business ethics principles.



## DIVERSITY & INCLUSION

We continue with our efforts to improve diversity and inclusion (D&I) across all levels of the achieve their full potential. Our diverse workforce represents our commitment to D&I. We now have an increased participation of women, differently-abled people and employees for the growth of the organization.

**Registered Office: DELHI**

14, Rani Jhansi Road,  
New Delhi - 110055

**Corporate Office : GURUGRAM**

1512, 15th 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

**CHANDASI**

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

**GANDHIDHAM**

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

**KOLKATA**

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

**GUWAHATI**


4th Floor, Saraswati Vihar,  
Behind Shree Ram Bridge,  
Joo Road, Guwahati-781005







## "Chairman's Message"



2021-22 was a successful and eventful year at Chandra Prabhu as we crossed an important milestone of 700 Cr sales. It is even more satisfying that we delivered good growth in all over Indian markets. Our performance is an outcome of simple yet effective changes made over the years.

At CPIL, we are collectively dedicated to improve the existing, execute the present and timely pivot into the future. Therefore, inspiring the best of talent to take up trading as a career of choice.

Dear Stakeholders,

As we have all experienced, 2021-22 came as another year of perseverance and persistence. The year witnessed a lot of disruptions, including the second and third wave of Covid-19, and frequent lockdowns. However, the economic activities gradually regained momentum as markets started recovering and consumers continued to invest in their homes, for their comfort and convenience.

The year 2022 is a momentous one for India, as the country prepares to commemorate 75 years of its journey as an independent and progressive nation. What makes this present time even more special is that India finds itself on a springboard for rapid growth that will enhance its economic standing in the global order. This growth will be underpinned by an infrastructure push, digital inclusion and rising per capita income, with the Union Government taking the lead on capex, to 'crowd in' private investments. Coal is an integral part of this story. At CPIL, we invest in the country's future, and are growing hand in hand with India.

Regards  
Gajraj Jain  
Chairman Cum Managing Director

## KEY MANAGERIAL PERSONNEL

- : **Mr. Gajraj Jain, Chairman cum Managing Director**  
Mr. Akash Jain, CEO (COAL Division) w.e.f. 01/09/2022  
Mr. Amar Singh, Chief Financial Officer  
Ms. Komal, Company Secretary & Compliance Officer

## 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. Punit Jain, Additional Director (Non- Executive Independent Director) w.e.f. 1<sup>st</sup> September, 2022  
Mr. Pradeep Kumar Goyal, Additional Director  
(Non- Executive Non Independent) w.e.f. 1<sup>st</sup> September, 2022  
Mrs. Hemlata Jain, Woman Director

## REGISTERED OFFICE

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

## CORPORATE OFFICE

- : 1512, Fifteen Floor, DLF Galleria Commercial Complex,  
DLF City Phase IV, Gurugram, Haryana, 122009

## WEBSITE

- : [www.cpil.com](http://www.cpil.com)

## STATUTORY AUDITOR

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

37th ANNUAL GENERAL MEETING	
Date	30th September, 2022
Day	Friday
Time	11:30 A.M.
Place	Through Video Conferencing/Other Audio Visual Means

## INTERNAL AUDITOR

- : Baj & Company, 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

- : HDFC Bank, Gurugram | AXIS Bank, Gurugram

## BRANCHES

- : Bokaro, Chandasi, Guwahati, Gandhidham and Kolkata

**NOTE:** In line with the Ministry of Corporate Affairs (MCA) Circular No. 2/2022 dated May 5, 2022, Circular No. 17/2020 dated April 13, 2020 and 02/2021 dated 13<sup>th</sup> January, 2021 read with SEBI Circular dated 12th May 2020, 15<sup>th</sup> January, 2021 and dated May 13, 2022, the Notice of AGM along with Annual Report for the financial year 2021-22 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](http://www.cpil.com). The Notice as well as the Annual Report 2021-22 can also be accessed from the websites of the Stock Exchange at [www.bseindia.com](http://www.bseindia.com).

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



## COMPOSITION OF COMMITTEES OF THE BOARD



### AUDIT COMMITTEE

**Mr. Jitendra Kumar Mishra – Chairman**

Mr. Gajraj Jain – Member

Mr. Tilak Raj Goyal – Member

### NOMINATION AND REMUNERATION COMMITTEE (NRC)

**Mr. Jitendra Kumar Mishra – Chairman**

Mrs. Hemlata Jain – Member

Mr. Tilak Raj Goyal – Member

### STAKEHOLDER RELATIONSHIP COMMITTEE

**Mr. Jitendra Kumar Mishra – Chairman**

Mrs. Hemlata Jain – Member

Mr. Gajraj Jain – Member

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

**Mr. Gajraj Jain – Chairman**

Mrs. Hemlata Jain – Member

Mr. Jitendra Kumar Mishra – Member

A central graphic featuring a dark blue square with the text 'Statutory Section' in a white, cursive font. The square is surrounded by various colorful geometric shapes and lines in shades of blue, green, yellow, and orange, creating a dynamic and abstract border. The background of the entire page is a light, abstract pattern of overlapping triangles in yellow, orange, and blue.

# *Statutory Section*



## CHANDRA PRABHU INTERNATIONAL LIMITED

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

**Corporate Off.:** 1512, Fifteen 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 **37<sup>th</sup> Annual General Meeting (AGM)** of the members of **CHANDRA PRABHU INTERNATIONAL LIMITED** will be held on **Friday, the 30<sup>th</sup> day of September, 2022 at 11.30 A.M. IST through Video Conferencing ("VC") or other Audio Visual Means ("OAVM")** to transact the following business:-

#### ORDINARY BUSINESSES:-

- To receive, consider and adopt the Standalone Audited Financial Statements of the Company for the financial year ended March 31, 2022, 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, 2022, the Statement of Profit and Loss and the Cash Flow Statement for the year ended on March 31, 2022 together with all the notes annexed and the Directors' and Auditors' Reports thereon, placed before the meeting be and are hereby considered and adopted."

- To declare the Final Dividend of Rs. 1.50/- per Equity Shares of Rs. 10/- each declared by the Board of Directors in their meeting held on May 25, 2022 for the Financial Year ended March 31, 2022 and in this regard, pass the following resolution as an Ordinary Resolution:-**

**"RESOLVED THAT** a final dividend of Rs. 1.50/- per equity share of face value of Rs. 10/- (Rupees Ten only) each fully paid up of the Company be and is hereby declared for the financial year ended March 31, 2022 and the same be paid as recommended by the

Board of Directors of the Company, out of the profits of the Company for the financial year ended March 31, 2022."

- Appointment of Statutory Auditor of the Company & to fix their remuneration**

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

**"RESOLVED THAT,** in accordance with the provisions of Sections 139 and 142 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 and other applicable provisions, if any, (including any statutory modification(s), clarifications, exemptions or re-enactments thereof for the time being in force) and pursuant to recommendation of the Audit Committee M/s. J P S & CO, Chartered Accountants (Registration No. 004086N), be and are hereby appointed as the Statutory Auditor of the Company in place of M/s, Mittal Garg Gupta & Co. Chartered Accountants, (Firm Registration No. 016591N) to hold office for a period of five(5) years at such remuneration plus reimbursement of out of pocket, travelling and living expenses etc., as recommended by the Audit Committee in consultation with the Auditors and duly approved by the Managing Director of the Company."

**RESOLVED FURTHER THAT** M/s. J P S & CO, Chartered Accountants, if appointed as the Statutory Auditors of the Company, shall hold office for a period of five years, from the conclusion of this Thirty Seventh Annual General Meeting till the conclusion of Forty Second Annual General Meeting of the Company to be held in the year 2027.

**FURTHER RESOLVED THAT** the Board of Directors (including its Committee thereof) and/or Company Secretary and Compliance Officer of the Company be and are hereby severally authorised to do

all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this Resolution.”

4. **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:-**

5. **Re-Appointment of Mr. Gajraj Jain (DIN : 00049199) as the Chairman Cum Managing director**

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

**“RESOLVED THAT** in accordance with the provisions of Sections 196, 197 and 203 of the Companies Act, 2013, or any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactments thereof) read with Schedule V to the Companies Act, 2013 and Articles of Association of the company, approval of the members of the Company be and is hereby accorded to the re-appointment of Mr. Gajraj Jain (DIN: 00049199) as Chairman Cum Managing Director of the company for a period of three years from with effect from 17 April, 2023 on the remuneration as per terms and conditions as recommended by the nomination and remuneration committee and as set out in the Explanatory Statement annexed to the notice convening this meeting, which is hereby approved and sanctioned with authority to the Board of Directors to alter and vary the terms and conditions

of the said re-appointment and/or agreement in such manner as may be agreed to between the Board of Directors and Mr. Gajraj Jain.

**RESOLVED FURTHER THAT** the remuneration payable to Mr. Gajraj Jain shall not exceed the overall ceiling of the total managerial remuneration as provided under Section 197 read with the Schedule V of the Companies Act, 2013 or such other limits as may be prescribed from time to time.

**FURTHER RESOLVED THAT** the Board of directors and/or the company secretary be and are hereby severally authorized to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required and to delegate all or any of its powers herein conferred to any Committee of Directors or Director(s) to give effect to the aforesaid resolution.”

6. **Appointment of Mr. Punit Jain (DIN: 00004327) as an Independent Director of the company.**

To Consider and if thought fit to pass with or without modification(s) the following resolution as **Special 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. Punit Jain** (DIN:- 00004327), 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. 01<sup>st</sup> September, 2022, 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. September 01, 2022 to August 31, 2027 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 severally 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.”

**7. Appointment of Mr. Pradeep Kumar Goyal (DIN:03568525) as Non Executive Non 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, 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. Pradeep Kumar Goyal (DIN:-03568525)**, who was appointed by the Board of Directors of the Company, as an Additional Director (Non-Executive Non Independent) for the period of 5 years w.e.f. with effect from 01<sup>st</sup> September, 2022 pursuant to the provisions of section 149, 161(1) of the act, who

holds office up to the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing his candidature for the office of a Director of the Company, be and is hereby appointed as a Non-Executive Non Independent Director of the Company, for the period of 5 years w.e.f. 1st September 2022 whose office shall be liable to retire by rotation.

**RESOLVED FURTHER THAT** the board of directors and/or company secretary of the company be and are hereby severally 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.”

**8. To consider and approve the proposal of sub-dividing/splitting of Face value of Equity shares from Rs. 10/- each to Rs. 2/- each of the Company as per Section 61(1)(d) of the Companies Act, 2013 subject to approval of the members of the company as per the provision of the Companies Act, 2013.**

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

**“RESOLVED THAT** pursuant to the provisions of Section 61(1)(d) and all other applicable provisions, if any, of the Companies Act, 2013 (including any amendment thereto or re-enactment thereof for the time being in force) and the provision of Memorandum and Article of Association of the Company and subject to necessary approval(s) if any, from the competent authorities, the consent of the Members be and are hereby accorded for sub-dividing the existing authorized Share capital of the Company as follow:

Class of Share Capital	From (Pre Sub-Division/Split)			To (Post Sub-Division/Split)		
	No. of Shares	Face Value (in Rs.)	Total Share Capital (in Rs.)	No. of Shares	Face Value (in Rs.)	Total Share Capital (in Rs.)
Authorized Share Capital	5000000	10	50000000	25000000	2	50000000

**RESOLVED FURTHER THAT** pursuant to the Section 61(1)(d) of the Companies Act, 2013 sub-division of Face Value of equity shares of the company, the existing fully paid-up 3698000 equity shares of the company of the face value of Rs. 10/- (Rupees Ten Only) be and is hereby sub-divided (Split) into fully paid-up 18490000 equity shares of Face Value of Rs. 2/- each (Rupees Two Only) w.e.f the Record Date (as and when be decided by the Board).

The existing paid-up Share Capital be sub-divided as follow:-

Class of Share Capital	From			To		
	No. of Shares	Face Value (in Rs.)	Total Share Capital (in Rs.)	No. of Shares	Face Value (in Rs.)	Total Share Capital (in Rs.)
Paid up Equity Share Capital	3698000	10	36980000	18490000	2	36980000

**FURTHER RESOLVED THAT** upon the sub-division of the face value of Equity Shares as aforesaid, the existing share Certificate(s) in relation to the existing equity share of the face value of Rs. 10/- each held in physical form, if any, shall be deemed to have been automatically cancelled with effect from the Record Date (as and when be decided by the Board) and the Board be and are hereby authorized to recall the same from the shareholders, if necessary and to issue new share certificate in lieu thereof, with regard to sub-divided equity shares in accordance with the provision of the Companies (Share Capital and Debentures) Rules, 2014 (as amended) and other applicable regulations and in the case of the Equity shares held in the dematerialization form, the sub-divided Equity Shares shall be credited to the respective beneficiary accounts of the members with their Depository Participants and the Company shall take such corporate actions as may be necessary in relation to the existing Equity Shares.

**RESOLVED FURTHER THAT** any director (s) of the Company and/or Company Secretary be and are hereby severally authorized to do all such acts, deed, matters and things including filing of necessary e-forms along with other supporting documents and

papers as may be required to be annexed thereto, with Ministry of Corporate Affairs and to execute all such documents, instruments and writing as may be required in this connection which is not only limited to fixing of the Record date as per requirements of the SEBI (LODR) Regulations, 2015 and subsequent amendments thereto and such other applicable provisions/enactments and amendments from time to time with the Stock Exchange and the Depositories and/or any other relevant statutory authority, if any, cancellation or rectification of the existing physical share certificate in lieu of the old certificates and to settle any question or difficulty that may arise with regards to the sub-division of the Equity Shares as aforesaid or for any matters connected herewith or incidental hereto”

**9. To consider and approve Alteration of Capital Clause of Memorandum of Association of the Company as per the Section 13, 61 and other applicable provisions, if any of the Companies Act, 2013 subject to approval of the Members of the Company under the provision of Companies Act 2013**

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 13, 61 and other applicable provisions, if any of the Companies Act 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) the consent of the members be and are hereby accorded for the alteration and substitution of the existing Clause V of the Memorandum of Association of the Company with the following new Clause V.

V. “The Authorised Share Capital of the Company is Rs. **50000000/-** (Rupees Five Crore Only) divided into **25000000** (Two Crore & Fifty Lac only) equity Shares of Rs. 2/- (Rupees Two Only) each.”



**RESOLVED FURTHER THAT** any directors of the company and/or Company Secretary be and are hereby severally authorized to do all such acts, deed, matters and things as may be necessary in relation to the above including the matters incidental thereto and to execute all such documents, instruments and writing as may be required in this connection and, to give effect to the aforesaid resolution.”

#### 10. 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 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 : September 01, 2022,**

**Place : Gurugram**

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

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

**Corporate Off:** 1512, Fifteen 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) Ministry of Corporate Affairs (“MCA”) have permitted conducting the Annual General Meeting through video conferencing (“VC”) or other audio-visual means (“OAVM”) up to 31st December, 2022. 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. 02/2022 dated May 5, 2022 read with Circular No. 20/2020 dated May 05, 2020, Circular No. 14/2020 dated April 8, 2020, Circular No.17/2020 dated April 13, 2020, Circular No. 02/2021 dated 13<sup>th</sup> January, 2021, Circular No. 21/2021 dated December 14, 2021 and (“MCA Circulars”) and Securities Exchange Board of India (SEBI) Circular dated 12th May, 2020, Circular No. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated 15<sup>th</sup> January, 2021 and Circular No. SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022 (“SEBI Circulars”). In Compliance with MCA and SEBI Circulars, the forthcoming 37<sup>th</sup> 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 37th 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) As per the provisions of MCA Circular, the matters of Special Business as appearing at Item Nos. 3 & 5 to 10 of the accompanying Notice, are considered to be unavoidable by the Board and hence, form part of this Notice.
- (v) 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 Corporate are entitled to appoint authorized representatives to attend the AGM through VC/OAVM and participate there at and cast their votes through e-voting.
- (vi) 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.
- (vii) 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.

- (viii) 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.
- (ix) In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, Circular No. 02/2022 dated May 5, 2022 and SEBI Circular dated 12th May 2020, 15<sup>th</sup> January, 2021 & Circular No. SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022, the Notice of 37<sup>th</sup> AGM along with Annual Report for the financial year 2021-22 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](http://www.cpil.com). The Notice as well as the Annual Report 2021-22 can also be accessed from the websites of the Stock Exchange i.e. BSE Limited at [www.bseindia.com](http://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](http://www.evoting.nsdl.com).
- (x) Further, those members who have not registered their email addresses and in consequence could not be served the Annual Report for F.Y.2021-22 and Notice of 37<sup>th</sup> AGM, may temporarily get themselves registered with Company's Registrar and Transfer Agent, Alankit Assignments Ltd. 4E/2, Jhandewalan Extension, New Delhi- 110055 for receiving the same.
- (xi) 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.
- (xii) 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](http://www.evoting.nsdl.com).
- (xiii) 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 Saturday, September 24, 2022 to Friday, September 30, 2022 (both days inclusive) for the purpose of Annual General Meeting & payment of Final Dividend.
- (xiv) 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 Assignments Ltd. 4E/2, Jhandewalan Extension, New Delhi- 110055, quoting their Folio Number(s).
- (xv) 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.
- (xvi) Members may also note that the Notice of the 37<sup>th</sup> Annual General Meeting and the Annual Report for 2022 will also be available on the Company's website [www.cpil.com](http://www.cpil.com), website of Bombay Stock Exchange at [www.bseindia.com](http://www.bseindia.com) and on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. [www.evoting.nsdl.com](http://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](mailto:info@cpil.com), [cs@cpil.com](mailto:cs@cpil.com).
- (xvii) In accordance with the provisions of Sections 124, 125 and other applicable provisions, if any, of the Act, read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (hereinafter referred to as 'IEPF Rules') (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the amount of dividend remaining unclaimed or unpaid for a period of seven years from the date of transfer to

the Unpaid Dividend Account is required to be transferred to the Investor Education and Protection Fund (IEPF) maintained by the Central Government. In pursuance of this, the dividend remaining unclaimed in respect of dividends declared upto the financial year ended March 31, 2014 have been transferred to the IEPF. The details of the unclaimed dividends so transferred are available on the website of MCA at <http://www.iepf.gov.in/>.

Members are requested to note that dividends, if not encashed for a consecutive period of 7 years from the date of transfer to Unpaid Dividend Account of the Company, are liable to be transferred to the Investor Education and Protection Fund (IEPF). In view of this, Members/ Claimants are requested to claim their dividends from the Company, within the stipulated timeline. The Members, whose unclaimed dividends/shares have been transferred to IEPF, may claim the same by making an application to the IEPF Authority.

(xviii) Members wishing to claim dividends, which remain unclaimed, are requested to correspond with **Alankit Assignments 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. During the year under review, no amount was required to be transferred to the Investor Education and Protection Fund by the Company.

(xix) The Board of Directors in their meeting held on May 25, 2022 have recommended Rs. 1.50/- per share on Equity shares of Face Value of Rs.10/- each as the Final dividend for financial year ended on 31 March, 2022 and the resolution regarding the declaration/ payment of final payment for the approval of the members is given in the notice.

(xx) 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 through postal or courier services and in case of any disruption of postal or courier services due to prevalence of COVID-19 in containment zones, upon normalisation of such services. 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.

**Updation of mandate for receiving dividend directly in bank account through Electronic Clearing System or any other means in a timely manner:**

**Shares held in physical form:** Members holding shares in physical form are requested to send the following details/documents to the Company's Registrars and Transfer Agent(RTA), M/s Alankit Assignments Limited at Alankit House, 4E/2 Jhandewalan Extension, New Delhi – 110055

- a) Form ISR-1 along with supporting documents. The said form is available on the website of the Company at [www.cpil.com](http://www.cpil.com) and on the website of the RTA at [www.alankit.com](http://www.alankit.com).
- b) Cancelled cheque in original, bearing the name of the Member or first holder, in case shares are held jointly. In case name of the holder is not available on the cheque, kindly submit the following documents:
  - i) Cancelled cheque in original;
  - ii) Bank attested legible copy of the first page of the Bank Passbook / Bank Statement bearing the names of the account holders, address, same bank account number and type as on the cheque leaf and full address of the bank branch.
- c) Self-attested copy of the PAN Card of all the holders; and



- d) Self-attested copy of any document (such as Aadhaar Card, Driving License, Election Identity Card, Passport) in support of the address of the first holder as registered with the Company.

**Shares held in electronic form:** Members holding shares in electronic form may please note that their bank details as furnished by the respective DPs to the Company will be considered for remittance of dividend as per the applicable regulations of the DPs and the Company will not be able to accede to any direct request from such Members for change/ addition/deletion in such bank details. Accordingly, the Members holding shares in electronic form are requested to ensure that their Electronic Bank Mandate is updated with their respective Dps.

- (xxi) The payment of final equity dividend, if approved by the Members at the 37<sup>th</sup> Annual General Meeting subject to deduction of tax at source will be made on or before Saturday, October 29, 2022 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 Friday, September 23, 2022 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 Friday, September 23, 2022.

- (xxii) The Company has sent individual letters to all the Members holding shares of the Company in physical form for furnishing their PAN, KYC details and Nomination pursuant to SEBI Circular No. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2021/655 dated November 3, 2021 in Form ISR-1. The Form ISR-1 is also available on the website of the Company at [www.cpil.com](http://www.cpil.com). Attention of the Members holding shares of the Company in physical form is invited to go through and submit the said Form ISR-1.

Members may please note that SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR /2022/8 dated January 25, 2022 has mandated the Listed Companies to issue securities in demat

form only while processing service requests viz. Issue of duplicate securities certificate; claim from Unclaimed Suspense Account; Renewal/Exchange of securities certificate; Endorsement; Sub-division/Splitting of securities certificate; Consolidation of securities certificates/folios; Transmission and Transposition. Accordingly, Members are requested to make service requests by submitting a duly filled and signed Form ISR-4, the format of which is available on the Company's website at [www.cpil.com](http://www.cpil.com) and on the website of the Company's RTA at [www.alankit.com](http://www.alankit.com). It may be noted that any service request can be processed only after the folio is KYC compliant. SEBI vide its notification dated January 24, 2022 has mandated that all requests for transfer of securities including transmission and transposition requests shall be processed only in dematerialized form. In view of the same and to eliminate all risks associated with physical shares and avail various benefits of dematerialisation, Members are advised to dematerialise the shares held by them in physical form. Members can contact the Company or RTA for assistance in this regard.

- (xxiii) Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone/mobile numbers, PAN, registering of nomination and power of attorney, Bank Mandate details such as name of the bank and branch details, bank account number, MICR code, IFSC code, etc., to their DP in case the shares are held in electronic form, and to the RTA in case the shares are held in physical form.

- (xxiv) To prevent fraudulent transactions, Members are advised to exercise due diligence and notify the Company of any change in address or demise of any Member as soon as possible. Members are also advised to not leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned DP and holdings should be verified from time to time.

- (xxv) Members holding shares in physical form, in identical order of names, in more than one folio, are requested to send to the Company or RTA, the details of such folios together with the share certificates for consolidating their holdings in one folio. A consolidated share certificate will be issued to such Members after making requisite changes.

(xxvi) To support the 'Green Initiative', the Members who have not registered their e-mail addresses are requested to 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.

(xxvii) 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.

(xxviii) 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, Integrated for the procedure of obtaining the duplicate share certificates.

(xxix) 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.

(xxx) 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.

(xxxi) 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.

(xxxii) 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.

(xxxiii) 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.

Bombay Stock Exchange (BSE) in the month of April, 2022 has published the list of Top 2000 Companies as per the Market Capitalization of March 31, 2022 in

which our company fall under Sr. No. 1988. Consequently under regulation 17(1)(c) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is required to induct 2 more directors on the board with the optimum combination of Promoter and Independent Director.

However, on the recommendation of Nomination and Remuneration Committee, the board of Directors in their meeting held on September 01, 2022 had appointed **Mr. Punit Jain** (DIN:- 00004327) as an additional director, (in the category of Non-Executive Independent Director) for the period of 5 years w.e.f. 01<sup>st</sup> September, 2022, whose appointed is being recommended to the Shareholder which is the part of this Notice.

on the recommendation of Nomination and Remuneration Committee, the board of Directors in their meeting held on September 01, 2022 had appointed **Mr. Pradeep Kumar Goyal** (DIN:-03568525) as an additional director, (in the category of Non-Executive Non Independent Director) for the period of 5 years w.e.f. 01<sup>st</sup> September, 2022, whose appointed is being recommended to the Shareholder which is the part of this Notice.

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.

(xxxiv) 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 37<sup>th</sup> AGM.

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

(xxxvi) 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 [rta@alankit.com](mailto:rta@alankit.com) or [cs@cpil.com](mailto:cs@cpil.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:**

- i. 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 and Circular No. SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022 issued by SEBI and the Circulars issued by the Ministry of Corporate Affairs dated April 08, 2020, April 13, 2020, May 05, 2020 and Circular No. 02/2022 dated May 5, 2022 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 Tuesday, 27<sup>th</sup> September, 2022 at 9:00 A.M. and ends on Thursday, 29<sup>th</sup> September, 2022 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. 23<sup>rd</sup> September, 2022, 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 23<sup>rd</sup> September, 2022.**

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

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

#### **Step 1: Access to NSDL e-Voting system**


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

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.	1. Existing <b>IDeAS</b> user can visit the e-Services website of NSDL Viz. <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. On the e-Services home page click on the “ <b>Beneficial Owner</b> ” icon under “ <b>Login</b> ” 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



	<p>see e-Voting services under Value added services. Click on <b>“Access to e-Voting”</b> under e-Voting services and you will be able to see e-Voting page. Click on company name or <b>e-Voting service provider i.e. NSDL</b> 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 &amp; voting during the meeting.</p> <p>2. If you are not registered for IDEAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select <b>“Register Online for IDEAS Portal”</b> or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></p> <p>3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or <b>e-Voting service provider i.e. NSDL</b> 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 &amp; voting during the meeting</p>	<p>Shareholders/Members can also download NSDL Mobile App <b>“NSDL Speede”</b> facility by scanning the QR code mentioned below for seamless voting experience.</p> <p>NSDL Mobile App is available on</p> 
		<p>Individual Shareholders holding securities in demat mode with CDSL</p> <ol style="list-style-type: none"> <li>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 <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on New System Myeasi.</li> <li>After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of <b>e-Voting service provider i.e. NSDL</b>. Click on <b>NSDL</b> to cast your vote.</li> <li>If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></li> <li>Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page.</li> </ol>

	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. <b>NSDL</b> where the e-Voting is in progress.
Individual Shareholders (holding securities in demat mode) login through their depository participants	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. 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 &amp; voting during the meeting.</p> <p><b>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.</b></p> <p><b>Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.</b></p>
<b>Login type</b>	<b>Helpdesk details</b>
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 <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30

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 <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 022-23058738 or 022-23058542-43
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**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 :

<b>Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical</b>	<b>Your User ID is:</b>
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.

b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

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

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

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

- a) Click on "**Forgot User Details/Password**" (If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
- b) **Physical User Reset Password** (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
- c) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address etc.

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](mailto:kksandassociates@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto: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 members and e-voting user manual for members available at the Downloads sections of <https://www.evoting.nsdl.com> or contact NSDL at the following toll free no.: 1800-222-990 or send a request at [e-voting@nsdl.co.in](mailto: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) 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](mailto: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 (Company email id). 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](mailto:evoting@nsdl.co.in) for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.
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 EGM/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](mailto: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](mailto: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](mailto: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 Tuesday September 27, 2022 (9:00 am) IST and ends on Thursday September 29, 2022 (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 Friday, September 23, 2022, 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 Friday, September 23, 2022, 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. Friday, September 23, 2022 may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto: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 Friday, September 23, 2022, and not casting their vote electronically, may only cast their vote through e-voting system during the AGM i.e. [www.evoting.nsdl.com](http://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. Friday, September 23, 2022 are requested to send the written / email communication to the Company's RTA at [rta@alankit.com](mailto:rta@alankit.com) or NSDL at [evoting@nsdl.co.in](mailto:evoting@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 **Tuesday September 27, 2022 (9:00 am) IST and ends on Thursday September 29, 2022 (5:00 pm) 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, after the conclusion of voting at the AGM, first count the votes cast during the Meeting and, thereafter, unblock the votes cast through remote e-Voting, in the presence of at least two witnesses not in the employment of the Company and shall make, not later than two working days from the conclusion of the AGM, a Consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- vii) The Results declared, alongwith the Scrutinizer's Report, shall be placed on the Company's website [www.cpil.com](http://www.cpil.com) and on the website of NSDL [www.evoting.nsdl.com](http://www.evoting.nsdl.com), immediately after the declaration of the result by the Chairman or a person authorised by him in writing. The results shall also be immediately forwarded to the Stock Exchanges where the Company's Equity Shares are listed viz. BSE and be made available on their respective websites viz. [www.bseindia.com](http://www.bseindia.com).

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

**Gajraj Jain  
Chairman Cum Managing Director  
DIN: 00049199**

**Date : September 01, 2022**

**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. **3 & 5 to 10** of the accompanying Notice:

**Item No.3**

The terms of M/s Mittal Garg Gupta & Co. Chartered Accountants will expire in the coming 37<sup>th</sup> AGM of the Company. M/s Mittal Garg Gupta & Co. was appointed as the Statutory Auditor of the Company for the period of 5 years from 32<sup>nd</sup> AGM to 37<sup>th</sup> AGM of the Company. Further, M/s Mittal Garg Gupta & Co. Chartered Accountants is eligible for re-appointment but the auditor gives his unwillingness to be re-appointed.

Therefore, the management has approached M/s. J P S & CO, Chartered Accountants (Registration No.004086N) for the appointment of Statutory Auditor of the Company and had received consent/affirmation letter along with his brief profile to act as Statutory Auditor of the Company.

M/s J P S & Co. has an extensive experience of over 39 years in the field of Accountancy, Auditing, and Taxation. The Firm is registered with the Institute of Chartered Accountants of India. J P S & Co. audits various Companies Listed on Stock Exchanges in India. Further his association would be of immense benefit to the Company.

Keeping in view the requirements set out in the Act, the Board of Directors of the Company at its meeting held on August 03, 2022 have recommended the appointment of M/s J P S & Co. Chartered Accountants as Statutory Auditors of the Company for the period of 5 (Five) Consecutive years commencing from this 37<sup>th</sup> AGM till the conclusion of the 42<sup>nd</sup> AGM of the Company to be held in the year 2027 at remuneration as recommended by the Audit Committee in consultation with the Auditors and duly approved by the Managing Director of the Company.

The Board recommends passing of the resolution as set out under **Item No. 3 as an ordinary resolution** for approval by the Members.

None of the Directors and Key Managerial Personnel of the company and their relatives is concerned or interested, financially or otherwise, in this resolution at the **Item no. 3** of accompanying notice.

**Item No. 5**

Mr. Gajraj Jain (DIN : 00049199) whose term is expiring on April 16, 2023. Mr. Gajraj Jain was appointed as Chairman Cum Managing Director by the members to hold office upto April 16, 2023. Further as per provision of Section 196 of the Companies Act, 2013, no re-appointment shall be made earlier than one year before the expiry of the term. The Board is proposing his re-appointment for a period of Three (3) years and hence continuation of his employment as Executive Chairman Cum Managing Director requires the approval of members by way of an Ordinary Resolution.

In terms of the Corporate Governance Guidelines of the Company and pursuant to the recommendation of the Nomination and Remuneration Committee, the Board of Directors of the Company passed a resolution on August 03, 2022 approving the re-appointment of Mr. Gajraj Jain as Chairman Cum Managing Director of the Company for a further period of three years with effect from April 17, 2023 till April 16, 2026. This is subject to the approval of shareholders at this Annual General Meeting.

This explanatory statement may also be read and treated as disclosure in compliance with the requirements of Section 100 of the Companies Act, 2013. The details of remuneration payable to Mr. Gajraj Jain and the material terms and conditions of the re-appointment are as follows:

I) Basic / Consolidated Salary – On Honorary Basis

II) Perquisites as detailed below –

- Reimbursement of Conveyance, travelling, telephonic expense on actual basis for official purpose.
- Earned leave/ Privilege Leave: Encashment will be permissible in accordance with the rules of the company.

The Board of the Directors of the company be and is hereby authorized to alter, vary the terms and conditions of the Re-appointment and total emoluments payable to Chairman cum Managing Director as above. The Board commends the resolution as **item no. 5** for approval of members as an **ordinary resolution**.

Except Mr. Gajraj Jain himself, Mrs. Hemlata Jain, w/o the appointee and Mr. Akash Jain son of the appointee none of the Directors and Key Managerial Personnel of the company and their relatives is concerned or interested, financially or otherwise, in this resolution at the **item no. 5** of accompanying notice.

#### Item No. 6

Bombay Stock Exchange (BSE) in the month of April, 2022 has published the list of Top 2000 Companies as per the Market Capitalization of March 31, 2022 in which our company fall under Sr. No. 1988. Consequently under regulation 17(1)(c) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is required to have 6 directors on the board. Therefore, the company is required to induct 2 more directors on the board with the optimum combination of Promoter and Independent Director. Therefore on the report of performance evaluation, the external business environment, business knowledge, skills, experience considered that the association of Mr. Punit Jain (DIN:00004327) as an Independent Director of the Company would be beneficial to the Company. Mr. Punit Jain aged about 64 years was Senior Vice President of Times of India Group and has wide experience in the field of Brand Development, Business Development & Events for sales development etc. Also the Director Board of National Heart Institute, Delhi and Co-opted Member of Indian Languages Newspaper Association.

In the opinion of the Board, Mr. Punit Jain 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 01<sup>st</sup> September, 2022 appointed Mr. Punit Jain (DIN: 00004327) as an Additional Director (Non-Executive Independent) for the period of 5 years w.e.f 01<sup>st</sup> September, 2022 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. Punit Jain 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. Punit Jain (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. Punit Jain would be in the interest of the Company and its Shareholders.



The board recommended for the approval of the Members by way of **Special resolution**, the appointment of Mr. Punit Jain 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 reenactments(s) thereof for the time being in force).

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](http://www.evoting.nsdl.com).

The board recommends the resolution at **item no.6** for approval by members as a **Special resolution**.

None of the Directors, key managerial personnel and/or their relative, except Mr. Punit Jain is concerned or interested in the Resolution at the **item no. 6** of accompanying notice.

#### Item No 7

Pursuant to the provisions of Section 161 of the Companies Act, 2013, and based on the recommendation of the Nomination & Remuneration Committee of the Board, **Mr. Pradeep Kumar Goyal (DIN: 03568525)** was appointed as an Additional Director (Non Executive Non Independent) of the Company for the period of 5 years w.e.f. September 01, 2022.

The term of office of Mr. Pradeep Kumar Goyal as an Additional Director is up to the date of this Annual General Meeting. Considering the rich experience and vast knowledge of Mr. Pradeep Kumar Goyal, his presence on the Board of the Company ("the Board") will be valuable to the Company and accordingly, the Nomination and Remuneration Committee of the Board has recommended his appointment as the Non-Executive Director(s) of the Company for the period of 5 years w.e.f. September 01, 2022. The Company has received a notice in writing, pursuant to the provisions of Section 160 of the Companies Act, 2013, from a Shareholder proposing his candidature for the office of Director of the Company.

The Company has received consent in writing from Mr. Pradeep Kumar Goyal to act as a Director pursuant to Section 152 of the Companies Act, 2013 read with Rule 8 of the Companies (Appointment and Qualification of Directors) Rules, 2014 and intimation to the effect that he is not disqualified under Section 164(2) of the Companies Act, 2013 to be appointed as Director of the Company.

A brief resume(s) in relation to the experience, functional expertise and memberships on other Company's Board and Committee(s) in respect of appointment of Mr. Pradeep Kumar Goyal is provided at Annexure which forms part of the Notice.

The provisions of the Companies Act, 2013, require the Company to seek the approval of the Shareholders for the appointment of Mr. Pradeep Kumar Goyal (DIN: 03568525) as Non Executive Non Independent Director of the Company for the period of 5 years w.e.f. September 01, 2022.

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](http://www.evoting.nsdl.com).

None of the Directors, key managerial personnel and/or their relative, except Mr. Pradeep Kumar Goyal is concerned or interested in the Resolution at the **item no. 7** of accompanying notice.

The Directors recommend the said **Ordinary Resolution** set out at item no. 7 of this Notice for approval of the Shareholders.

**Item No. 8**

The Equity shares of the Company are listed on BSE Limited. In order to improve the liquidity of our Company's Equity Shares in the Stock Markets with higher floating stock in absolute numbers and to increase investor's base, the Board of Directors of the Company, in its meeting held on Wednesday, 25th May, 2022 have approved the Sub-division of the nominal value of Equity shares of the Company of Rs.10/- each into smaller denomination of Re.2/- each, subject to the approval of Members. The members are informed that it would be advantageous for the Company for sub-dividing the face value of the Equity Shares of the Company from Rs. 10/- each to Rs. 2/- each and consequent sub-division of Equity shares thereof.

Accordingly, each Equity share of the Company of the nominal value Rs.10/- each existing on the Record Date shall stand subdivided into 5 Equity shares of the nominal value of Re.2/- each. The Record Date for the aforesaid Sub-division of Equity shares will be fixed after the approval of shareholders is obtained.

The Board recommends the Resolution as set out in **Item No. 8** of the accompanying Notice for the approval of Members of the Company as an **Ordinary Resolution**.

None of the Directors or Key Managerial Personnel of the Company or their relatives is concerned or interested in the Resolution except to the extent of their shareholding in the Company, if any.

**Item No. 9**

The Company proposes to sub division of face value of its Equity shares and the proposed Sub-division of the Equity shares of the Company of Rs.10/- each into smaller denomination of Re.2/- each requires amendment to the Memorandum of Association of the Company.

Consequent upon, the proposed sub-division of face value of equity shares of the Company requires alteration to the Capital Clause (Clause V) of the Memorandum of Association of the Company. In view of this, Clause V of Memorandum of Association is proposed to be altered and substituted with the new clause V to reflect the corresponding changes in the Authorized Share Capital consequent to the said sub-division of Face Value of Equity Shares of the Company Accordingly Clause V of the Memorandum of Association is proposed to be amended as set out in Item No.7 of the accompanying Notice reflecting the corresponding changes in the Authorised Share Capital of the Company consequent to the proposed Sub-division i.e. from Rs. 5,00,00,000 (Rupees Five Crore Only) divided into 50,00,000 (Fifty Lacs Only) Equity Shares of Rs.10/- (Rupees Ten Only) each to Rs. 5,00,00,000 (Rupees Five Crore Only) divided into 2,50,00,000 (Two Crore Fifty Lacs lacs) Equity Shares of Re. 2/- (Rupee Two Only) each.

The Board of Directors of your Company has approved this item in its Meeting held on Wednesday, 25th May, 2022 and recommends the Resolution as set out in **Item No. 9** of the accompanying Notice for the approval of members of the Company as an **Ordinary Resolution**.

None of the Directors, Key Managerial Personnel of the Company or their relatives are in any way concerned or interested in the said resolution.

**Item No 10**

The Company has branches at Bokaro, Chandasi, Kolkata, Gandhidham & Guwahati 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.10** 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. 10** of accompanying notice.

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

Gajraj Jain  
Chairman Cum Managing Director  
DIN: 00049199

Date : September 01, 2022  
Place : Gurugram

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

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

**Corporate Off:** 1512, Fifteen 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 Obligation and Disclosure Requirement) 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. Gajraj Jain	Mr. Punit Jain	Mr. Pradeep Kumar Goyal
Brief Resume	Mrs. Hemlata Jain about 67 years has more than 10 years of experience in in general management & administration	Mr. Gajraj Jain about 68 years has more than 35 years of experience in entrepreneur, industrialist & rich business experience in overall management and supervision.	Mr. Punit Jain aged about 64 years was Senior Vice President of Times of India Group also the Director Board of National Heart Institute, Delhi and Co-opted Member of Indian Languages Newspaper Association	Mr. Pradeep Kumar Goyal, aged 48 years, is a practicing chartered accountant having vast experience of 20 years in advisory services related to direct and indirect taxes. Apart from being member of ICAI, he is a Certified Fraud Examiner from Canada, Insolvency Professional and Registered Valuer with IBBI. Being a public interest litigation and RTI activist, he is keen and actively involved in taking up issues concerning to the public at large with Hon'ble Supreme Court of India and various high courts of the country.
Date of Birth	05/06/1955	11/04/1954	24/02/1958	11/11/1973
DIN	00049212	0049199	00004327	03568525
Date of Appointment/re-appointment	16/09/2017	17/04/2023	01/09/2022	01/09/2022
Nationality	Indian	Indian	Indian	Indian
Qualifications	Commerce Graduate	Graduate	PGD, Marketing and Sales Management & PGD, Advertising and Public Relations	Member of ICAI, he is a Certified Fraud Examiner from Canada, Insolvency Professional and Registered Valuer with IBBI.
Skill & Expertise in specific functional areas	Experience in general management & administration	Wide Experience in entrepreneur, Industrialist, rich business experience in overall management and supervision	Wide experience in the field of Brand Development, Business Development & Events for sales development etc.	Wide experience in the field of direct and indirect taxes. He is keen and actively involved in taking up issues concerning to the public at large with Hon'ble Supreme Court of India and various high courts of the country.
Directorship held in other Companies (excluding Foreign Company)	N.A.	Katihar flour Mills Pvt. Ltd.	-	AGPG Buildwell 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) & Mother of Mr. Akash Jain (CEO)	Mr. Gajraj Jain is the Husband of Mrs. Hemlata Jain, Promoter & Woman Director of the Company & Father of Mr. Akash Jain (CEO)	-	-

# *Board's Report*





## BOARD'S REPORT

To  
The Members  
Chandra Prabhu International Ltd.

Your Directors are pleased to have this opportunity to report on Company's progress during the year financial year 2021-22 and to submit the 37th Annual Report & Audited Financial Statements (Standalone) comprised of Balance Sheet as on 31<sup>st</sup> March, 2022 and Profit & Loss Account for the period ended on 31<sup>st</sup> March, 2022.

## FINANCIAL RESULTS

Amount in Lacs

Particulars	Standalone	
	2021-22	2020-21
Turnover/ Income from operations	72568.83	22581.67
Other Income	20.32	20.86
<b>Profit/(Loss) before tax, finance cost &amp; depreciation</b>	<b>2804.59</b>	<b>908.25</b>
Finance Cost	62.65	68.50
Depreciation	20.03	7.25
Exceptional items ( income)	0.00	0.00
<b>Profit/(Loss) before tax</b>	<b>2721.91</b>	<b>832.50</b>
Current Tax	702.96	234.85
Tax Adjustments for earlier years	0.00	(0.06)
Deferred Tax	(3.45)	26.70
MAT Credit Entitlement	-	-
Other Adjustments	-	-
<b>Profit/(Loss) After Tax</b>	<b>2022.40</b>	<b>571.01</b>
Add/(Less):Other Comprehensive Income (net of taxes)	(0.95)	0.97
<b>Total Comprehensive Income/ (Expenses) for the year</b>	<b>2021.45</b>	<b>571.98</b>

## DIVIDEND

Keeping in view the overall financial position of the Company, the Board has recommended as Final Dividend of Rs. 1.50 per equity share (15% of the Face Value of Rs. 10/- each) for the financial year ending on March 31, 2022 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. 55.47 Lacs.



Pursuant to the Finance Act, 2020, dividend income is taxable in the hands of the Members w.e.f. April 1, 2020 and the Company is required to deduct tax at source (TDS) from dividend paid to the Members at prescribed rates as per the Income-tax Act, 1961.

The Register of Members and Share Transfer Books of the Company will remain closed from Saturday, September 24, 2022 to Friday, September 30, 2022 (both days inclusive) for the purpose of payment of dividend for the financial year ended March 31, 2022.

### TRANSFER TO RESERVE

As per Standalone financials, the net movement in the reserves of the Company for FY 2022 is as follows:

Particulars	As at 31.03.2022
<b>General Reserves</b>	
Opening Balance	3,989,291
<b>Retained Earnings</b>	
Opening Balance	151,345,829
Add: Surplus in Statement of Profit & Loss	202,240,345
Add/(Less)::Gratuity Exp related to OCI adjusted as per Ind AS	(126,649)
Add/(Less): Deferred Tax impact related to exp of OCI	31,875
<b>Total</b>	353,491,400
Less : Final Dividend Paid	3,698,000
	349,793,400
<b>Other Equity</b>	
General Reserves	3,989,291
Retained Earnings	349,793,400
<b>Total Other Reserves</b>	<b>353,782,691</b>

### COMPANY'S PERFORMANCE

During the year, under review the performance of the Company has registered tremendous growth and the turnover during the year was Rs. **72568.83 lakhs** as against **22581.67 lakhs** in the previous year indicating a increment of about 221.36 % over the last year. The year under review resulted in Profit after Tax (PAT) attributable to shareholders of **Rs. 2022.40 lakhs** which was mainly due to increased turnover/sales of coal as compared to Profit of **Rs. 571.01 lakhs** during the previous year. The management is optimistic on the performance of the Company in future to maintain the growth momentum and a detailed discussion is provided under Management discussion and analysis report.



## HUMAN RESOURCE DEVELOPMENT

Human Resource is not only an integral part of any organisation but also strive its success and growth. The Company believes that human resources are the key resources and integral part the organisation and endeavours to create a culture of openness and empowerment amongst its employees and provide good carrier development.

Your Company believes in trust transparency & teamwork to 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.

This year we strengthen our focus on Company processes and systems. We inducted bright talent in our organization. We uplifted the infrastructure and enhanced the employee experience by introducing a professionally managed cafeteria service to cater healthy and hygienic food.



## COMPANY'S AFFAIRS

Chandra Prabhu International Ltd. is a well known name engaged mainly, in the business of trading of Coal, Synthetic Rubber and Chemicals for 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.



## IMPACT OF COVID-19 ON OPERATIONS OF COMPANY

Company's operations were limping back to the normal in the beginning of the current financial year 2021-22 but the sudden sput in COVID cases in the second wave had effected our operations for few days at some places. The immediate remedial measures taken by the company management had brought back the situation to the normal very soon.

Although, the intensity of COVID reduced during the financial year 2021-22 yet we remain vigilant and conscious throughout the year to guard us against any sudden let up in COVID. The employees of the company were instructed to strictly adhere to the COVID protocol while attending the job.

Our conscious and pro active approach has allowed us to run all over operations smoothly with almost negligible impact of COVID during the year in question.

## 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. 31<sup>st</sup> March, 2022 till the date of this report.

However, the Company has shifted its Corporate Office from 522, Fifth Floor, DLF Galleria Commercial Complex, DLF City Phase IV, Gurugram, Haryana to 1512, Fifteen Floor, DLF Galleria Commercial Complex, DLF City Phase IV, Gurugram, Haryana w.e.f. 25<sup>th</sup> April, 2022.

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**

Based on the framework of internal financial controls (IFCs) and compliance systems established and maintained by the Company, the work performed by the internal, statutory and secretarial auditors and external consultants, including the audit of IFCs over financial reporting by the Statutory Auditors and the reviews performed by management and the relevant Board Committees, including the Audit Committee of Directors, the Board is of the opinion that the Company's IFCs were adequate and effective during FY22.

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 2021-22.

**DIRECTORS & KEY MANAGERIAL PERSONNEL  
DIRECTORS**

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. Gajraj Jain, Managing Director, Mr. Tilak Raj Goyal, Mr. Jitendra Kumar Mishra as independent director along with Mrs. Hemlata Jain as Woman Director of the company.



### CHANGE IN DIRECTORS INCLUDING INDEPENDENT DIRECTOR

During the F.Y under review, Mr. Prakash Goyal Independent Director of the Company ceased from the directorship due to death. Further, Mr. Tilak Raj Goyal as Additional Director (Non –Executive Independent) of the Company appointed by the Board dated June 25, 2021 whose appointment is being approved by the shareholders in the 36<sup>th</sup> AGM for the period of 5 years w.e.f 25<sup>th</sup> June, 2021.

In accordance with the requirements of the Act and the Company's Articles of Association, Mrs. Hemlata Jain (DIN: 00049212), retires by rotation and is eligible for re-appointment Members' approval is being sought at the ensuing AGM for her re-appointment.

Bombay Stock Exchange (BSE) in the month of April, 2022 has published the list of Top 2000 Companies as per the Market Capitalization of March 31, 2022 in which our company fall under Sr. No. 1988. Consequently under regulation 17(1)(c) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is required to have 6 directors on the board. Therefore, the Company is required to induct 2 more directors on the board with the optimum combination of Promoter and Independent Director. Therefore on the report of performance evaluation, the external business environment, business knowledge, skills, experience considered that the association of Mr. Punit Jain as an Independent Director of the Company & Mr. Pradeep Kumar Goyal as Non Executive Non Independent Director would be beneficial to the Company and based on the recommendation of the Nomination and Remuneration Committee, the Board, vide Resolution passed on September 01, 2022, appointed Mr. Punit Jain as an Additional Director (Non Executive Independent) & Pradeep Kumar Goyal as an Additional Director (Non Executive Non Independent) of the Company for the period of 5 years w.e.f. 1st September, 2022 which is subject to approval of the Members at the ensuing AGM of the Company. Accordingly, Members' approval is being sought at the ensuing AGM for his appointment.

During the year under review, the Non-Executive Directors (NEDs) of the Company had no pecuniary relationship or transactions with the Company, other than sitting fees and commission, as applicable, received by them.

In the opinion of the Board, there has been no change in the circumstances which may affect their status as Independent Directors of the Company and the Board is satisfied of the integrity, expertise, and experience (including proficiency in terms of Section 150(1) of the Act and applicable rules thereunder) of all Independent Directors on the Board. Further, in terms of Section 150 read with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014, as amended, Independent Directors of the Company have included their names in the data bank of Independent Directors maintained with the Indian Institute of Corporate Affairs.

In terms of Regulation 25(8) of the Listing Regulations, they have confirmed that they are not aware of any circumstances or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties. Based upon the declarations received from the Independent Directors, the Board of Directors has confirmed that they meet the criteria of independence as mentioned under section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulations and that they are independent of the management. 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)

During the year under review, there were no changes in the KMP of the Company. 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 tenure of Mr. Gajraj Jain, Chairman cum Managing Director of the Company shall expire on 16<sup>th</sup> April, 2023. Based on an evaluation of the balance of skills, knowledge and experience on the Board and further, on the report of performance evaluation, the external business environment, business knowledge, skills, experience considered that the association of Mr. Gajraj Jain Chairman cum Managing Director of the Company would be beneficial to the Company, and based on the recommendation of the Nomination and Remuneration Committee, the Board, vide Resolution passed on August 03, 2022, re-appointed Mr. Gajraj Jain, Chairman cum Managing Director of the Company and subject to approval of the Members by way of Ordinary Resolution at the ensuing AGM of the Company, re-appointed him as a Chairman cum Managing Director, not liable to retire by rotation, for the further period of 3 years commencing from April 17, 2023 upto April 16, 2026. Accordingly, Members' approval is being sought at the ensuing AGM for his appointment.

Further, for the purpose of expansion of the business entity, on the recommendation of Audit and nomination & Remuneration Committee, the board vide resolution passed on September 01, 2022 as appointed Mr. Akash Jain as Chief Executive Officer (CEO), coal division of the company w.e.f. 1st September, 2022.

### **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.

All the Independent Directors of the Company have complied with the requirement pertaining to the inclusion of their names in the data bank of independent directors maintained by Indian Institute of Corporate Affairs and they meet the requirements of proficiency self-assessment test.

In the opinion of Board of Directors of the Company, Independent Directors on the Board of Company hold highest standards of integrity and are highly qualified, recognised and is doyen of the industry. There is an optimum mix of expertise (including financial expertise), leadership and professionalism.

### **NUMBER OF MEETINGS OF BOARD OF DIRECTORS**

The Board of Directors of your Company, met **7(Seven)** times during the Financial year ended March 31, 2022, i.e. on 25th June, 2021, 30th July, 2021, 16th September, 2021, 18th October 2021, 17th December, 2021, 24th January, 2022 and 19th February, 2022 respectively. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013 and Regulation 17(2) of the Listing obligations & Disclosure Requirements of SEBI.

The details and attendance of meetings of the board, its committees and the annual general meeting are mentioned in the Corporate Governance Report, which forms part of this Report.

### **MEETING OF INDEPENDENT DIRECTORS**

During the financial year 2021-22, the meeting of Independent Director was held on 24<sup>th</sup> January 2022, 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 Meeting**



## 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.

The NRC reviewed the performance of individual directors on the basis of 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.



## CORPORATE GOVERNANCE AND MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The report on Corporate Governance and Management Discussion and Analysis Report as stipulated in SEBI (Listing Obligations 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.

The Company has devised proper systems to ensure compliance with the provisions of all applicable Secretarial Standards issued by the Institute of Company Secretaries of India and that such systems are adequate and operating effectively.

## POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION AND OTHER DETAILS

# Policies

The 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 board's 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](http://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 threats 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.



The Audit Committee of the Board of Directors actively reviews the adequacy and effectiveness of the internal control systems and suggests improvements to strengthen the same. The Audit Committee of the Board of Directors are periodically apprised of the internal audit findings and corrective actions are taken accordingly. Significant audit observations and corrective actions taken by the management are presented to the Audit Committee of the Board. For more details, refer to the 'internal control systems and its adequacy' section in Management's Discussion and Analysis Report, which forms part of this Annual Report.

## BOARD COMMITTEES

Detailed composition of the mandatory Board Committees viz. Audit Committee, Nomination and Remuneration Committee, Stakeholder Relationship Committee & Corporate Social Responsibility (CSR) are as under:

### 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 Requirements) Regulations, 2015. 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.

### 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.

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

Based on the Audited Financial Statement as on 31<sup>st</sup> 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 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 regarding all the above said committees are given in the Corporate Governance Report which forms a part of this Report.

## AUDITORS





**STATUTORY AND BRANCH AUDITORS**

Since the terms of M/s Mittal Garg Gupta & Co. Chartered Accountants will expire in the coming 37<sup>th</sup> AGM of the Company. M/s Mittal Garg Gupta & Co. was appointed as the Statutory Auditor of the Company for the period of 5 years from 32<sup>nd</sup> AGM to 37<sup>th</sup> AGM of the Company to be held in the Year 2022 on 30<sup>th</sup> Sept 2022. Further, M/s Mittal Garg Gupta & Co. Chartered Accountants is eligible for re-appointment but the auditor gives his unwillingness to be re-appointed.

Therefore, Pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Act (including any statutory modification or re-enactment thereof for the time being in force) and the Companies (Audit and Auditors) Rules, 2014, as amended from time to time and on the recommendation of Audit Committee, the board of directors at their meeting held on August 03, 2022 and subject to approval of the shareholder in the ensuing AGM have approved the appointment of M/s J P S & CO. Chartered Accountants (FRN: 004086N) as Statutory Auditors of the Company for a term of five years to hold office from the conclusion of the 37<sup>th</sup> AGM till the conclusion of the 42<sup>nd</sup> AGM in 2027, subject to approval of Members in the ensuing AGM.

The necessary resolutions for appointment of J P S & CO form part of the Notice convening the ensuing AGM scheduled to be held on 30<sup>th</sup> September, 2022.

The Company has in its Notice convening AGM sought approval from the Members for passing a resolution regarding authorizing the Board to appoint Branch Auditors of any Branch office of the Company, whether existing or which may be opened/acquired, outside India, to act as Branch Auditors.

**STATUTORY AUDITOR'S REPORT**

The standalone financial statements of the Company have been prepared in accordance with Ind AS notified under Section 133 of the Act. 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 2021-2022. The Company has received consent from M/s. KKS & Associates, Company Secretaries, for their appointment. The Secretarial Audit Report confirms that the Company has complied with the provisions of the Act, Rules, Regulations and Guidelines and that there were no deviations or non-compliances. Further, his secretarial audit report is annexed as Annexure-II to this Report in prescribed Form MR-3.

The Secretarial Audit Report does not contain any qualifications, reservations, adverse remarks or disclaimers.

Further, the Board of Directors in their meeting held on Wednesday, 3rd August, 2022 re-appointed M/s. KKS & Associates, Company Secretaries, as Secretarial Auditors, to undertake the audit of the secretarial records for the Financial Year 2022-23.

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, 2022 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](http://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 had appointed M/s Baj & Company, Chartered Accountant as an Internal Auditor of the Company for the FY 2021-22.

Further, the board of directors in their board meeting held on 3<sup>rd</sup> August, 2022 has re-appointed M/s Baj & Company, Chartered Accountant as an Internal Auditor of the Company for the FY 2022-23. He will perform all the duties of internal auditor and conduct the Audit of the Company for FY 2022-23.



## 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.

### 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

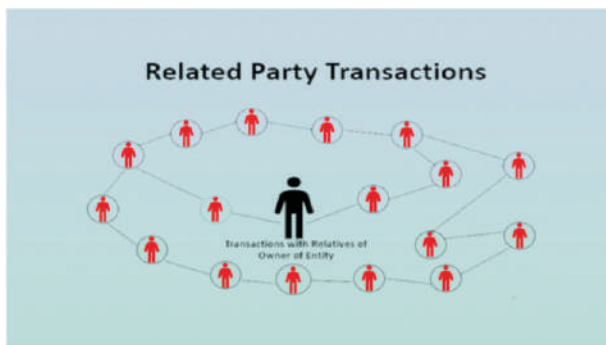
Pursuant to Section 177 of the Companies Act 2013 and Regulation 22 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, the Board has adopted vigil mechanism in the form of Whistle Blower Policy for the Directors and Employees of the Company to deal with instances of fraud 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. All Senior Management personnel have affirmed compliance with the CPIL Code of Conduct. The CEO & Managing Director has also confirmed and certified the same. The certification is at the end of the Report on Corporate Governance



Pursuant to Section 177(9) of the Act, a vigil mechanism was established for directors and employees to report to the management instances of unethical behaviour, actual or suspected, fraud or violation of the Company's code of conduct or ethics policy. The Vigil Mechanism provides a mechanism for employees of the Company to approach the Chairman of the Audit Committee of Directors of the Company for redressal. No person has been denied access to the Chairman of the Audit Committee of Directors.

### RELATED PARTY TRANSACTIONS

In line with the requirements of the Act and the Listing Regulations, the Company has formulated a Policy on Related Party Transactions and the same is available on the website of the company at [www.cpil.com](http://www.cpil.com). All Related Party Transactions are placed before the Audit Committee and also the Board/Members for their approval, wherever necessary. An omnibus approval from the Audit Committee is obtained for the related party transactions. The related party transactions including



under sub-section (1) of Section 188 of the Companies Act, 2013 entered during the financial year were on an arm's length basis and were in the ordinary course of business. The details of the same are annexed herewith as "Annexure-I" in the prescribed Form AOC-2 & also in Note 36 to the Standalone Financial Statements of the Company.

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.

The Company in terms of regulation 23 of the Listing Regulations submitted disclosures of related party transactions on a consolidated basis, in the format specified in the relevant accounting standards to the stock exchanges. The said disclosures can be accessed on the website of the Company at [www.cpil.com](http://www.cpil.com).

## CORPORATE SOCIAL RESPONSIBILITY

Based on the Audited Financial Statement as on 31<sup>st</sup> 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 25<sup>th</sup> June, 2021 had constituted the CSR Committee. The Composition of CSR Committee and other details are the part of Corporate Governance Report.

The CSR Committee has been entrusted with the prime responsibility of recommending to the Board, the CSR activities to be undertaken by the Company in terms of CSR Policy, the amount of expenditure to be incurred and monitoring the implementation of the framework of the CSR Policy. The CSR policy of the Company has been provided on the Company's website at [www.cpil.com](http://www.cpil.com). The Annual Report on CSR activities having a brief overview of the projects undertaken, as required under the Companies (Corporate Social Responsibility Policy) Rules, 2014 has been annexed as **Annexure-III** of this Report.



## PECUNIARY RELATIONSHIP OR TRANSACTIONS OF THE NON-EXECUTIVE DIRECTORS (NED) AND DISCLOSURES ON THE REMUNERATION OF THE DIRECTORS

The NEDs have no pecuniary relationship except the sitting fees paid for the meeting of board of Directors/Committee.

The details regarding the remuneration of directors along with their shareholding are disclosed in Corporate Governance Report which forming part of this Annual 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, 2022 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.



Further, the Board of director in their board meeting held on 25<sup>th</sup> May, 2022 has approved the proposal of sub-division/ split of equity shares of the Company from the existing face value of Rs. 10/- per equity shares to Face value of Rs. 2/- per equity shares as per Section 61(1)(d) of the Companies Act, 2013 and other applicable rules & regulations subject to approval of members of the company . The necessary resolutions regarding such sub-division/split of the

shares form part of the Notice convening the ensuing AGM scheduled to be held on 30<sup>th</sup> September, 2022.

## 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 8<sup>th</sup> April, 2020, 17/2020 dated 13<sup>th</sup> April, 2020, 20/2020 dated 5<sup>th</sup> May, 2020, 02/2021

dated 13<sup>th</sup> January, 2021 and Circular No. 2/2022 dated May 5, 2022 ('MCA Circulars') and also the Circular dated 12<sup>th</sup> May, 2020, SEBI/HO/CFD/CMD2/CIR/P /2021/ 11 dated 15<sup>th</sup> January, 2021 and Circular No.

**Remote E-voting facility before the AGM of our company will remain open from 27.09.2022, 9:00 a.m. till 29.09.2022, 5:00 p.m.**

SEBI/HO/CFD/ CMD2/CIR/P/2022/62 dated May 13, 2022 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.

## EXTRACT OF ANNUAL RETURN

Pursuant to Section 92 and 134 of the Act read with Rule 12 of the Companies (Management and Administration) Rules, 2014, the Annual Return is available on the website of the Company which can be accessed through [www.cpil.com](http://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 trading in securities by the Directors, designated persons & employee 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](http://www.cpil.com).

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



### **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**

There was no employee in receipt of remuneration in the limit as prescribed under Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. Therefore, the statement/ information required under section 197 read with Rule 5 is not applicable.

### **PUBLIC DEPOSITS**

During the year, the Company has not received any Deposits from public and as such, no amount on account of principal or interest on deposits from public was outstanding as on the date of the Balance Sheet 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 (IEPF)**



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. Members are requested to ensure that they claim the dividends before they are transferred to the said Fund. Member(s) who have not encash their dividend warrants so far for any previous seven financial years 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. During the year under review, no amount was required to be transferred to the Investor Education and Protection Fund by the Company.

### **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 complaints regarding sexual harassment by any women employees (permanent, contractual, temporary, trainees) who are covered under this policy till the date of this report.

### **DETAILS OF APPLICATION MADE OR PROCEEDING PENDING UNDER INSOLVENCY AND BANKRUPTCY CODE, 2016**

During the year under review, there were no applications made or proceedings pending in the name of the Company under the Insolvency Bankruptcy Code, 2016.



## DETAILS OF DIFFERENCE BETWEEN VALUATION AMOUNT ON ONE TIME SETTLEMENT AND VALUATION WHILE AVAILING LOAN FROM BANKS AND FINANCIAL INSTITUTIONS

During the year under review, there has been no one time settlement of loans taken from Banks & Financial Institutions.

## 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 2021-2022. All compliances with respect to the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 have been duly made by the company.



## ACKNOWLEDGEMENT

On behalf of the Directors of the Company, I would like to place on record our deep appreciation to our shareholders, customers, business partners, vendors, bankers, financial institutions and academic institutions for all the support rendered during the year.

The Directors are thankful to the Government of India, the various ministries of the State Governments, the Central and State Electricity Regulatory authorities, communities in the neighborhood of our operations, local authorities in areas where we are operational in India; as also partners, governments and stakeholders where the Company operates, for all the support rendered during the year.

The Directors regret the loss of life due to COVID-19 pandemic and are deeply grateful and have immense respect for every person who risked their life and safety to fight this pandemic.

Finally, we appreciate and value the contributions made by all our employees and their families for making the Company what it is. 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.

**CAUTIONARY STATEMENT**

The Annual Report including those which relate to the Directors' Report, Management Discussion and Analysis Report may contain certain statements on the Company's intent, expectations or forecasts that appear to be forward looking within the meaning of applicable securities laws and regulations while actual outcomes may differ materially from what is expressed herein. The Company bears no obligations to update any such forward looking statement. Some of the factors that could affect the Company's performance could be the demand and supply, changes in Government regulations, tax laws etc.

For and on behalf of the board of directors

**Gajraj Jain**  
Chairman Cum Managing Director  
DIN:00049199

**Jitendra Kumar Mishra**  
Independent Director  
DIN: 07983426

**Gurugram**  
**September 01, 2022**

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

**Registered Office :**

14, Rani Jhansi Road, New Delhi-110055

Phone: 011-23516567, Fax: 91-11-23553698

**Corporate Office :**

1512, Fifteen Floor, DLF Galleria Commercial Complex,

DLF City Phase IV, Gurugram, Haryana, 122009

**Phone:** +91-124-44754936

**Email:** [info@cpil.com](mailto:info@cpil.com), [investor@cpil.com](mailto:investor@cpil.com)

**Website :** [www.cpil.com](http://www.cpil.com).

## 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' 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 :

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 transaction	Amount Paid as advance, if any
7.	South West Pinnacle Exploration Limited	Entity of Relative of KMP	Rent Payable	0.81	11 months	Rent Agreement	NIL
			Rent Paid	8.93			
			Rent Outstanding	2.51			

For and on behalf of the board of directors

**Gajraj Jain**  
Chairman Cum Managing Director  
DIN:00049199

**Jitendra Kumar Mishra**  
Independent Director  
DIN: 07983426

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**Website :** [www.cpil.com](http://www.cpil.com).

## ANNEXURE-II

### SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2022

[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, 2022 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, 2022 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 and Sweat Equity) Regulations, 2021. **Not Applicable**
- g. The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021. **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**
- j. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993;
- 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 Requirements) 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: New Delhi**

**Date: 01/09/2022**

**UDIN: F008493D000904498**

*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: 01/09/2022**  
**UDIN: F008493D000904498**

## Annexure-III

## ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

**1. A brief outline of the company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs.**

Chandra Prabhu International Limited (Company) continues to be driven by the purpose of doing business that not only generates prosperity but also amplifies the welfare of the society. The Company is committed to the overall welfare and development of society including but not limited to education, women empowerment, environmental sustainability, disaster management, health care and sanitation. The Company has adopted appropriate business processes and strategies to achieve the above objectives. Your Company's CSR efforts during the financial year under review, focuses on health, education etc.

CSR policy of the Company was approved by the Board of Directors is available on the website of the Company at [www.cpil.com](http://www.cpil.com).



Corporate Social Responsibility (CSR) is a concept which integrates the company's business objectives with social and environmental concerns while interacting with their stakeholders.

To pursue these objectives we will continue:

- To lay down guiding principles to ensure strong corporate culture which emphasizes on integrating CSR values with Business Objectives.
- To do business by adding value to the community and society on a sustainable basis through dedicated policies, institutional setup and engagement process to promote inclusive growth.
- To practice the Company's corporate values through its commitment to grow in a socially and environmentally responsible manner.

The Company shall give preference to the local area and areas around it where it operates.

**2. Composition of CSR committee**

Sr. No.	Name of the Director	Designation/Nature of Directorship	Number of meeting of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Gajraj Jain	Chairman, Chairman Cum Managing Director	1	1
2.	Jitendra Kumar Mishra	Member, Independent Director	1	1
3.	Hemlata Jain	Member, Woman Director	1	1

3. Web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company:

Composition of CSR Committee	The composition of the CSR committee is available on our website at <a href="http://www.cpil.com">www.cpil.com</a>
CSR Policy and Project	The Committee, with the approval of the Board, has adopted the CSR Policy as required under Section 135 of the Companies Act, 2013. The CSR Policy & Project of the Company is available on our website at <a href="http://www.cpil.com">www.cpil.com</a>

4. Provide the details of impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the companies (corporate social responsibility policy) rules, 2014, if applicable (attach the report).

Not Applicable.

5. Details Of The Amount Available For Set Off In Pursuance Of Sub-Rule (3) Of Rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 And Amount Required For Set Off For The Financial Year, If Any.

Nil

6. Average Net Profit of the Company as Per Section 135(5) of the Companies, Act, 2013

Average net profit of the Company for last three financial years is Rs. **50865711** during the year.

7. (a) Two percent of average net profit of the company as per section 135(5):

Rs. 1017314.22

- (b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years:

Nil

- (c) Amount required to be set off for the financial year, if any:

Nil

- (d) Total CSR obligation for the financial year (7a+7b-7c).:

Rs. 1017314.22

8. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year (in Rs.)	Amount Unspent (in ₹)		Amount transferred to any fund specified under Schedule VII as per second proviso to Section 135(5)		
	Amount	Date of Transfer	Name of the Fund	Amount	Date of Transfer
10,35,200/-	Nil	..NA...	..NA...	Nil	..NA...

b. Details of CSR amount spent against ongoing projects for the financial year:

Sr. No	Name of the Project	Item form the list of activities in Schedule VII to the Act	Local Area (Yes/ No)	Location of the Project	Project Duration	Amount allocated for the project (in ₹)	Amount spent in the current financial year (in ₹)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹)	Mode of Implementation - Direct (Yes/ No)	Mode of Implementation - Through Implementing Agency	
										Name	CSR Registration No.
1.	Sansthanam Abhay Daanam Bird & Animal Hospital	iv	Yes	Greater Noida	9-11 months	5,25,000	5,25,000	-	No	Sansthanam Abhay Daanam, Sunpura, Gautam Buddha Nagar	CSR00001492

c. Details of CSR amount spent against other than ongoing projects for the financial year:

Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes / No)	Location of the project		Amount spent for the project (in ₹ Rs.)	Mode of Implementation - Direct (Yes/ No)	Mode of Implementation - Through Implementing Agency	
				State	District			Name	CSR Registration No.
1.	Promoting Education & Community Development	ii	Yes	Karnataka	*Belagavi *Sharavana belagola	1,10,200	No	Punam Chand Gajraj Gangwal Charitable Trust	CSR00012002
				Rajasthan	*Sawai Madhopur				
				Maharashtra	Dhule				
2.	Welfare of underprivileged children & skill training programs for women	i,ii,iii	Yes	West Bengal	*Bankura *Purulia	4,00,000	No	Bharat Varshiya Digamber Jain Sarak Trust	
				Ranchi	Bundu				
		TOTAL				5,10,200			

d. Amount spent in Administrative Overheads: **Not Applicable**

e. Amount spent on Impact Assessment, if applicable: **Not Applicable**

f. Total amount spent for the Financial Year (8b+8c+8d+8e): **-Rs. 10,35,200**

g. Excess amount for set off, if any

Sr. No.	Particular	Amount
i.	Two percent of average net profit of the company as per section 135(5)	Rs. 10,17,314.22
ii	Total amount spent for the Financial Year	Rs. 10, 35,200
iii	Excess amount spent for the financial year [(ii)-(i)]	<b>Rs. 17,885.78</b>
iv	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	-
v	Amount available for set off in succeeding financial years [(iii)-(iv)]	<b>Rs. 17,885.78</b>

**9. (a) Details of Unspent CSR amount for the preceding three financial years:**

Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR account under section 135 (6) (in ₹)	Amount spent in the reporting Financial Year (in ₹)	Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)	Amount remaining to be spent in succeeding financial years (in ₹)
...Not Applicable...					

**(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):**

Sl. No.	Project ID	Name of the Project	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project (in ₹)	Amount spent on the project in the reporting Financial Year (in ₹)	Cumulative amount spent at the end of reporting Financial Year (in ₹)	Status of the project - Completed /Ongoing
...Not Applicable...								





**10. In Case Of Creation Or Acquisition Of Capital Asset, Furnish The Details Relating To The Asset So Created Or Acquired Through CSR Spent In The Financial Year: ...Not Applicable...**

a. Date of creation or acquisition of the capital asset(s)	-
b. Amount of CSR spent for creation or acquisition of capital asset.	-
c. Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.	-
d. Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset)	-

**11. In case the company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the company shall provide the reason for not spending the amount in its Board Report :**

Not Applicable

**12. A responsibility Statement of the CSR Committee that the implementation and monitoring of CSR policy, is in compliance with CSR Objectives and policy of the company.**

CSR Committee hereby certify that the implementation and monitoring of CSR policy, is in compliance with CSR Objectives and policy of the company.

For and on behalf of the board of directors

Gajraj Jain  
Chairman Cum Managing Director  
DIN: 00049199

Jitendra Kumar Mishra  
Independent Director  
DIN: 0798342

Place: Gurugram  
Date: September 01, 2022



### 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:



A tentative recovery in 2021 has been followed by increasingly gloomy developments in 2022 as risks began to materialize. Global output contracted in the second quarter of this year, owing to downturns in China and Russia, while US consumer spending undershot expectations. Several shocks have hit a world economy already weakened by the pandemic: higher-than-expected inflation worldwide—especially in the United States and major European economies—triggering tighter financial conditions; a worse-than-anticipated slowdown in China, reflecting COVID-19 outbreaks and lockdowns; and further negative spillovers from the war in Ukraine.

The baseline forecast is for growth to slow from 6.1 percent last year to 3.2 percent in 2022, 0.4 percentage point lower than in the April 2022 World Economic Outlook. Lower growth earlier this year, reduced household purchasing power, and tighter monetary policy drove a downward revision of 1.4 percentage points in the United States. In China, further lockdowns and the deepening real estate crisis have led growth to be revised down by 1.1 percentage points, with major global spillovers. And in Europe, significant downgrades reflect spillovers from the war in Ukraine and tighter monetary policy. Global inflation has been revised up due to food and energy prices as well as lingering supply-demand imbalances, and it is anticipated to reach 6.6 percent in advanced economies and 9.5 percent in emerging market and developing economies this year—upward revisions of 0.9 and 0.8 percentage point, respectively. In 2023, disinflationary monetary policy is expected to bite, with global output growing by just 2.9 percent. (Source: IMF World Economic Outlook, July-2022)

The year 2021 unfolded as the year of recovery, although the pandemic's grip continued over the course of the year. The year ended with downside impacts, such as emergence of the Omicron variant that held back a broader recovery. With slightly receding impact of COVID, the global GDP tread on the path towards recovery, growing at an estimated rate of 5.9% in 2021 from -3.1% in the previous year (Source: IMF World Economic Outlook, January 2022). The year 2021 saw consumer demand recover as the global economy rebounded after the pandemic shock of 2020. Strong vaccination drive across all major economies and the progressive revival of global supply chains led to synchronised global recovery at a significant pace. After contracting by 3.3% in 2020, global GDP growth is expected to have grown by 5.8% in 2021. The strong economic growth led by resurgence in goods consumption across categories, especially in the developed markets, coupled with the supply chain bottlenecks, has led to significant spike in inflation. While the initial pick-up in inflation was led by demand recovery on the previous year's low base, persistent disruptions in the global supply chain network have caused inflationary pressures to be more broad-based and persistent, running at multi-decade highs in almost all the major economies. Almost all the central banks are now taking policy measures to taper down the extraordinary liquidity that was pumped in to support the economy during the pandemic and tightening the monetary policy to rein in their runaway inflation.

## INDIAN ECONOMIC REVIEW

In tandem with the global recovery, the Indian economy too recovered from the pandemic-induced shocks of 2020 and witnessed sequential improvement as 2021 progressed. The second advance estimates of the Ministry of Statistics and Program Implementation has put the GDP growth for FY 2021-22 at 8.9% compared to the 7.3% contraction in FY 2020-21. A rapid roll-out of the vaccination drive and supportive fiscal and monetary policies backed this economic recovery. Export-focused

sectors have gained from the strong improvement in global trade as well as government initiatives that have pitched India as an attractive investment destination to global corporations who have been looking to de-risk their supply chains as part of their China Plus One strategy. However, an upswing in inflation across commodities and products has resulted in rising import bills and a depreciating rupee, which have compromised many of the import-dependent sectors.



**THE SECOND ADVANCE ESTIMATES OF THE MINISTRY OF STATISTICS AND PROGRAM IMPLEMENTATION HAVE PUT THE GDP GROWTH FOR FY 2021- 22 AT 8.9% COMPARED TO THE 7.3% CONTRACTION IN FY 2020-21.**

## INDIAN ECONOMIC REFORMS AND RECOVERY

Over the last two years, economies have become more adept at dealing with the pandemic and its fall-out and have put much-needed attention to improving the health infrastructure. The roll-out of vaccination across the length and breadth of India, and reduced hospitalisation and fatality, have enabled the administration to focus on the reopening of the economy, creating employment and supporting livelihoods. However, as seen during the resurgence of COVID cases in early 2022, with the emergence of the Omicron variant, risks to the growth momentum remain pronounced. In addition, recent geopolitical events have added further fuel to the already steep inflationary trends. Policymakers in India, as in the rest of the world, will have to do a tough balancing act in trying to manage the downside risks to the economy, which is still recovering, while dealing with the inflationary pressures by moving away from the accommodative monetary stance of the last couple of years. Businesses too will need to play this balancing act, addressing supply chain disruptions and inflationary concerns through innovative approaches and at the same time, entrenching the demand recovery.

## GOVERNMENT INITIATIVES

- ❖ A Scheme on “India Covid-19 Emergency Response and Health Systems Preparedness Package - Phase-II” (ECRP-Phase-II) during 2021-22 has been approved by the Cabinet on 8.07.2021 for an amount of Rs.23,123 crores, to be implemented in 9 months from 1<sup>st</sup> July, 2021 to 31<sup>st</sup> March, 2022. The Scheme is aimed to prevent, detect and respond to the continuing threat posed by COVID-19 and strengthen national health systems for preparedness in India. The scheme is a Centrally Sponsored Scheme (CSS) with some Central Sector (CS) components.

- ❖ 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.
- ❖ The rapid growth of the AYUSH Sector, scientific cultivation of medicinal plants, expansion of AYUSH Education and health infrastructure, Skill upgradation and global acceptance of Yoga and Ayurveda have opened up new opportunities for revenue and employment. As estimated by IMARC (2021), the Ayurveda market is expected to grow by around 15 per cent during 2020-2025. The initiatives taken by the Ministry of AYUSH to promote AYUSH systems of medicine and for combating the challenges of COVID-19.
- ❖ 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 food grains 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.
- ❖ **PM Daksh Yojana** - The scheme aims to improve competency levels of eligible target groups including members of SC communities as well as the poorer section of the OBC communities. It has been implemented by the Ministry of Social Justice and Empowerment from the year 2021-22. The scheme is a National Action Plan for skilling marginalised sections of the population including OBCs, SCs, DNTs, EBCs, and sanitation workers comprising waster pickers.
- ❖ For a USD 5 trillion economy, our manufacturing sector has to grow in double digits on a sustained basis. Our manufacturing companies need to become an integral part of global supply chains, possess core competence and cutting-edge technology. To achieve all of the above, PLI schemes to create manufacturing global champions for an Atma Nirbhar Bharat have been announced for 13 sectors. For this, the government has committed nearly `1.97 lakh crores, over 5 years starting FY 2021-22. This initiative will help bring scale and size in key sectors, create and nurture global champions and provide jobs to our youth.
- ❖ 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





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

Coal is a combustible black or brownish-black sedimentary rock, formed as rock strata called coal seams. Coal is formed when dead plant matter decays into peat and is converted into coal by the heat and pressure of deep burial over millions of years.

### **INDUSTRY OUTLOOK:-**

### **"INDIA HAS TAKEN A MAJOR DECISION TO FULLY OPEN THE COAL AND MINING SECTORS FOR COMPETITION, CAPITAL, PARTICIPATION AND TECHNOLOGY"- PM NARENDRA MODI**

Coal is the most important and abundant fossil fuel in India. Coal-fired power plants meet 72% of India's electricity demand. Presently India is the second largest producer of coal in the world after China. India had a total coal resource of 344.02 Bt the total lignite reserve stands on 46.02 billion tons. Commercial primary energy consumption in India has seen a rise of 700% over the last four decades. The major factors for the increase in demand of energy sector are expanding economy, rising population, moreover the improvement of quality of life. The limited potentiality of other energy sources will lead to the continuation of coal as the primary resource in India's energy scenario for the next few decades. However, due to the high demand and poor average quality, India has to import coal of higher quality mainly to meet the requirements of its steel plants, cement plants, sponge iron plants etc.

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. 72568.83 Lakhs**, company has generated revenue of **Rs. 71857.60 Lakhs** for the financial year 2021-2022 i.e. **99.12%** 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**

Rubber, also called India rubber, latex, Amazonian rubber, produced, consists of polymers of the organic compound isoprene, with minor impurities of other organic compounds. Thailand, Malaysia, and Indonesia are three of the leading rubber producers.

### **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 2022-23.

#### **AGRO FOOD PRODUCTS**

Industries that have agricultural produce as raw materials are known as Agro-based Industries. These are consumer-based industries. Cotton, jute, silk, woollen textiles, sugar and edible oil, etc. industry are based on agricultural raw material.



#### **Industry Outlook:-**

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

- The Agriculture sector experienced buoyant growth in past two years, accounting for a sizeable 18.8% (2021-22) in Gross Value Added (GVA) of the country registering a growth of 3.6% in 2020-21 and 3.9% in 2021-22.
- Minimum Support Price (MSP) policy is being used to promote crop diversification.
- Net receipts from crop production have increased by 22.6% in the latest Situation Assessment Survey (SAS) compared to SAS Report of 2014.
- Allied sectors including animal husbandry, dairying and fisheries are steadily emerging to be high growth sectors and major drivers of overall growth in agriculture sector.
- The Livestock sector has grown at a CAGR of 8.15% over the last five years ending 2019-20. It has been a stable source of income across groups of agricultural households accounting for about 15% of their average monthly income.
- Government facilitates food processing through various measures of infrastructure development, subsidized transportation and support for formalization of micro food enterprises.
- India runs one of the largest food management programmes in the world.
- Government has further extended the coverage of food security network through schemes like PM Gareeb Kalyan Yojana (PMGKY).

The agriculture sector has experienced buoyant growth in the past two years. The sector, which is the largest employer of workforce, accounted for a sizeable 18.8 per cent (2021- 22) in Gross Value Added (GVA) of the country registering a growth of 3.6 per cent in 2020-21 and 3.9 per cent in 2021-22. Growth in allied sectors including livestock, dairying and fisheries has been the major drivers of overall growth in the sector. The measures taken by the Government to augment production and domestic supply of oilseeds and edible oils, interventions made in the sugar sector and promotion of crop diversification are examined. The need for sustainable agriculture through water conservation in irrigation and natural farming and need to promote research and development to improve crop productivity, mechanization, etc. is highlighted. It also discusses how Minimum Support Price (MSP) policy is being used to promote crop diversification. In addition to this, some important findings of the latest Situation Assessment Survey (SAS) have also been discussed. The net receipts from crop production alone have increased by 22.6 per cent as compared to the previous SAS Report of 2014 although there is a visible diversification in the sources of income of the farmers.

India runs one of the largest food management programmes in the world. The Government has further extended the coverage of food security network through additional provisions of foodgrains through the schemes like PM Gareeb Kalyan Yojana (PMGKY). A review of India's food management programme including food procurement, allocation, storage and the issue of food subsidy along with various Government measures for effective food and nutritional security is also presented at length in the chapter. The chapter ends with a review of the performance of fertilizer sector.

The agriculture and allied sectors grew at a positive growth rate of 3.6 per cent during 2020-21. This became possible due to good monsoon and various government measures to enhance credit availability, improve investments, create market facilities, promote infrastructure development in the agriculture sector and increase provision of quality inputs to the sector. The timely intervention in the form of Atma Nirbhar Bharat (ANB) Abhiyan coupled with other growth promoting schemes (ANB and other schemes are discussed under respective sections) have further helped agriculture to achieve an improved growth of 3.9 per cent in 2021-22. Figure 1 presents the performance of the agriculture and allied sectors for the last five and half years.

### 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 Fy22.
- ❖ 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.

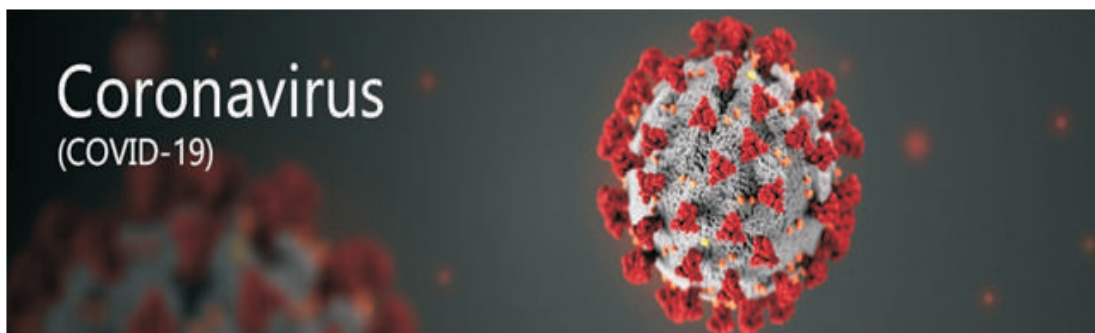
### Threats

- Volatility in raw material prices
- Seasonality of crops.

### Company's Performance:-

Company has generated revenue of **Rs. 6.10 Lakhs** 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 2020-21.

### 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 1<sup>st</sup> 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 has a defined system of internal controls for financial reporting of transactions and compliance with relevant laws and regulations commensurate with its size and nature of business. The Company also has a welldefined process for ongoing management reporting and periodic review of businesses using the Balanced Score Card process to ensure alignment with strategic objectives. There is an active internal audit function carried out partly by the internal resources and the balance activity outsourced to chartered accountant firms. As part of the efforts to evaluate effectiveness of internal control systems, the internal audit department reviews control measures on a periodic basis and recommends improvements, wherever appropriate. The internal audit department is staffed by qualified and experienced personnel and reports directly to the Audit Committee of the Board. The Audit Committee regularly reviews the audit findings as well as adequacy and effectiveness of the internal control measures. Based on their recommendations, the Company has implemented several control measures both in operational and accounting related areas, apart from security related measures.



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.

## CORPORATE SOCIAL RESPONSIBILITY

Based on the Audited Financial Statement as on 31<sup>st</sup> 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.

Acting responsibly and giving back to society are integral to the way we conduct our business. We recognise that we must be an active contributor to enhancing the lives of our communities. It is also our ongoing commitment to share value where it has been created. We have been including our communities in our growth journey through a wide range of social interventions. As a responsible corporate citizen, we are actively initiating and / or participating in work that together make us the local lighthouse for the region which significantly improves the lives of the people where we operate and are present. It is our constant endeavour to address critical social, environmental and economic needs of the communities in the vicinity of our plants.



## HUMAN RESOURCES

Human resource management seeks to build, maintain and improve the relationship between an organization and its employees to retain and foster their talent. Human resources is an important part of many organizations, regardless of size or industry. The HR department serves as the link between the organization and its employees—and ensures that both are set up for success. Within the broad realm of human resource management (HRM) is human resource development (HRD). HRD is primarily concerned with each employee's personal and professional growth—and tries to align their development with an organization's goals.



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.

With frameworks like Human Capital Readiness Index, we identify critical human capital requirements for our growth strategy. The Company has implemented various initiatives to build better organisational capabilities to enable us to sustain competitiveness in the marketplace. We recruited the employees and continue to invest significantly in the training and development of our teams. With the use of best-in-class technology for recruitment, we have optimized managerial bandwidth, enhanced candidate experience and standardized hiring process across diverse locations and geographies. Consequently, average hiring decision time came down by 80% with better candidate experience.

## SWOT ANALYSIS

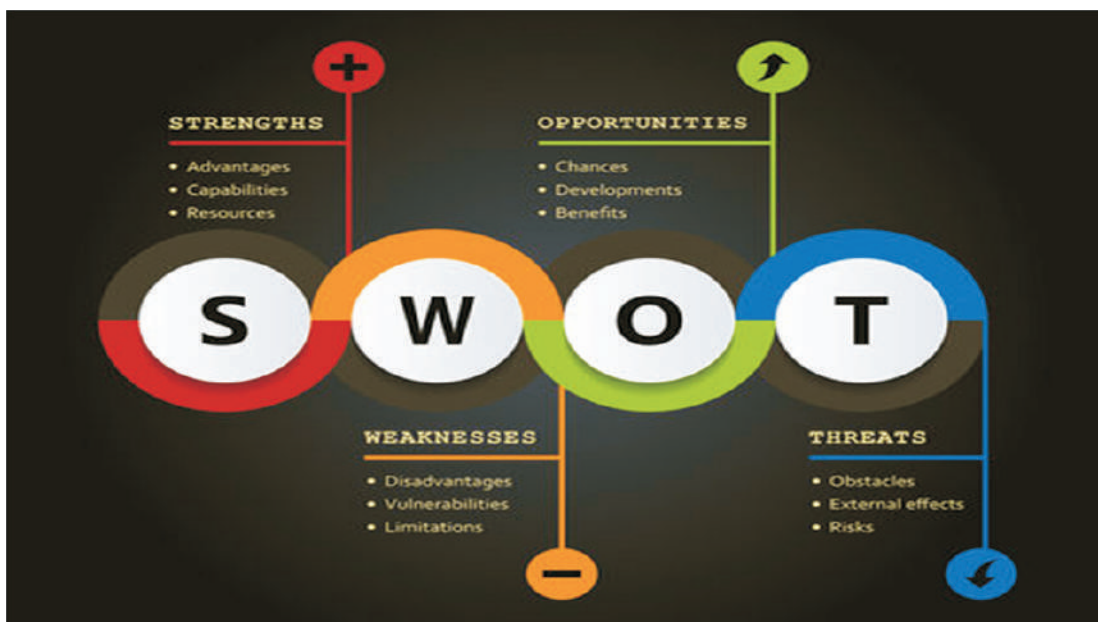


### Strengths

- 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.

### DISCLOSURE OF ACCOUNTING TREATMENT

The financial statements of the Company have been prepared to comply in all material respects with the accounting standards notified under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India. The management accepts responsibility for the integrity and objectivity of these financial statements, as well as for various estimates and judgments used therein. The estimates and judgments relating to the financial statements have been made on a prudent and reasonable basis, so that the financial statements reflect in a true and fair manner the form and substance of transactions, and reasonably present the state of affairs, profits and cash flows for the year.

**Business Outlook and Overview:**

We see strong growth opportunities. Our key strategic initiatives are aimed at accelerating the differentiation of our propositions. We are focused on refining our products to consistently deliver the right combination of quality, price and an elevated customer experience. We continue to emphasize responsiveness to emerging consumer preferences and reaching our customers directly. Accelerating our reach across geographies, an entirely integrated store & online proposition and digitization of all aspects of our Products are key strategic priorities.

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**

**Gajraj Jain**  
**Chairman Cum Managing Director**  
**DIN: 00049199**

**Jitendra Kumar Mishra**  
**Independent Director**  
**DIN: 0798342**

**Place: Gurugram**  
**Date: September 01, 2022**



## REPORT ON CORPORATE GOVERNANCE

The Corporate Governance Report, FY 2021-22, which forms a part of Board's Report, is prepared pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations") and for compliance with the Listing Regulations.

### 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.



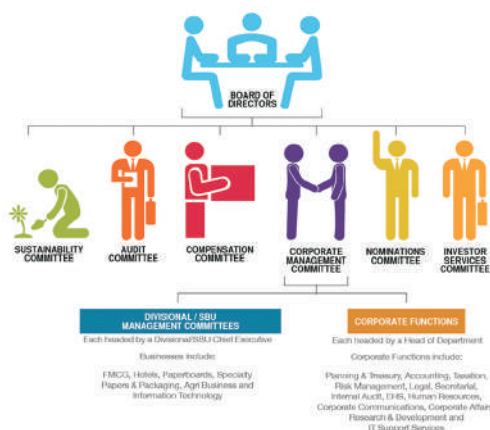
The Company has a strong legacy of fair, transparent and ethical governance practices.

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. As on 31-03-2022, the Board of Directors of the Company consists of Four Directors with an optimum combination of Executive, Non Executive and Independent Directors. Further, as per the market capitalization of March 31st, 2022 the company fall under top 2000 companies. Therefore the company has inducted 2 more director on the board with the optimum combination of promoter and Independent Director as on September 01, 2022. The Board meets regularly and is responsible for the proper direction and management of the Company. All directors take active part in the deliberations at the Board and Committee Meetings by providing valuable guidance and expert advice to the Management on various aspects of business, governance, etc. and play a critical role on strategic issues and add value in the decision-making process of the Board of Directors.



- 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, 2022, 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, 2022 have been made by the Directors. As on March 31, 2022, 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.
- vi. 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 31<sup>st</sup> March, 2022 in respect of each Director is given herein below:

Name of Director	Category of Directorship	Attendance particulars		#Other Directorships	No. of Share held	No. of Committee positions held in other public limited companies*	
		at Board Meetings held during 2021 - 2022	At AGM held on 21st September 2021 (though VC/OAVM)			Chairman	Member
		Held	Attended				
<b>Chairman Cum Managing Director Mr. Gajraj Jain</b>	Executive	7	7	YES	1	-	0
<b>Directors Mrs. Hemlata Jain</b>	Woman Director Promoter & Non-executive	7	7	NO	0	1298100	0
Mr. Jitendra Kumar Mishra	Independent Non-Executive	7	5	Yes	2	-	Chairman of Audit and Stakeholder Relationship Committee of M/s South West Pinnacle Exploration Limited
Mr. Tilak Raj Goyal	Independent Non-Executive	7	5	Yes	1	-	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. Prakash Goyal, Independent Director of the Company ceased from the directorship due to death dated May 01, 2021.
5. Non-Executive Directors of the Company do not hold any shares and convertible instruments in the Company.
6. None of the above Directors are related inter- se except Mrs. Hemlata Jain is the wife of Mr. Gajraj Jain.  
# Gajraj Jain, Director in Kaithar Floor Mills Private Limited.  
Jitendra Kumar Mishra, Independent Director in South West Pinnacle Exploration Limited & South West Oil Field Services Private Limited.  
Tilak Raj Goyal, Director in eSCV Consulting 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](http://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, in case 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	✓	✓	✓	✓	✓
Hemlata Jain	✓	✓	✓	✓	✓
Tilak Raj Goyal	✓	✓	✓	✓	✓
Jitendra Kumar Mishra	✓	✓	✓	✓	✓

**D. CONFIRMATION REGARDING INDEPENDENCE OF DIRECTORS**

Independent Directors(IDs) are Non- Executive Directors(NED) as defined under Regulation 16(1)(b) of the Listing Regulations read with Section 149(6) of the Act along with rules framed there under. In terms of Regulation 25(8) of the Listing Regulations, IDs 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 & fulfil the conditions specified in Listing Regulations and are independent of the Management & Company.

Based on the declarations received from the IDs, the Board of Directors has confirmed that they meet the criteria of independence as mentioned under Regulation 16(1)(b) of the Listing Regulations and that they are independent of the management. Further, in terms of Section 150 of the Act read with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014, the IDs of the Company have included their names in the data bank of IDs maintained with the Indian Institute of Corporate Affairs.

**E. DETAILED REASON REGARDING RESIGNATION OF INDEPENDENT DIRECTOR**

During the F.Y 2021-22, No Independent Director has resigned from the Company.

**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, 2022, the Board met 7 (Seven) times on 25<sup>th</sup> June, 2021, 30<sup>th</sup> July, 2021, 16<sup>th</sup> September, 2021, 18<sup>th</sup> October, 2021, 17<sup>th</sup> December, 2021, 24<sup>th</sup> January, 2022 and 19<sup>th</sup> February, 2022. 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.

## G. CHANGE IN BOARD COMPOSITION

During the FY 2021-22, Mr. Prakash Goyal, Independent Director of the Company ceased from the directorship due to death dated 1<sup>st</sup> May, 2022. Further, the board of director in their board meeting held on 25<sup>th</sup> June, 2021 had appointed Mr. Tilak Raj Goyal as an Additional Director (Non- Executive Independent) of the Company whose appointment was approved by the shareholder in the 36<sup>th</sup> AGM w.e.f 25<sup>th</sup> June, 2021 for the period of 5 years.

As per the Market Capitalization of March 31, 2022, the company fall under category of Top 2000 Companies. Consequently under regulation 17(1)(c) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is required to have 6 directors on the board. Therefore, the Company is required to induct 2 more directors on the board with the optimum combination of Promoter and Independent Director. The Board, vide Resolution passed on September 01, 2022, appointed Mr. Punit Jain as an Additional Director (Non Executive Independent) & Mr. Pradeep Kumar Goyal as an Additional Director (Non Executive Non Independent) of the Company for the period of 5 years w.e.f 1<sup>st</sup> September, 2022 subject to approval of the Members at the ensuing AGM of the Company

## H. SELECTION AND APPOINTMENT OF NEW DIRECTORS

The Board is responsible for the appointment of new directors. The Board has delegated the screening and selection process for new directors to the NRC. Considering the existing composition of the Board and requirement of new domain expertise, if any, the NRC reviews potential candidates. The assessment of candidates to the Board is based on a combination of criteria that include ethics, personal and professional stature, domain expertise, gender diversity and specific qualification required for the position. For appointment of an ID, the NRC evaluates the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepares a description of the role and capabilities required of an ID. The potential ID is also assessed on the basis of independence criteria defined in Section 149(6) of the Act read with rules framed thereunder and Regulation 16(1)(b) of the Listing Regulations. If the Board approves, the person is appointed as an Additional Director whose appointment is subject to the approval of the Members at the Company's general meeting.

## I. REMUNERATION PAID OR PAYABLE TO DIRECTORS (IN INR) : SITTING FEES, SALARY, PERQUISITES AND COMMISSION

The Remuneration to Directors is given as per the provision of Companies Act, 2013, Listing Regulations, subject to approval of shareholders or any other authority as may be required. The details of the remuneration of Directors paid during the FY 2021-2022 and their relationships with each other is mentioned hereunder

Name of Directors	Relationship with other Director	Sitting Fee	Commission on profits	Salary	Perquisites	Total
Mr. Gajraj Jain	Husband of Mrs. Hemlata Jain	-	-	-	-	-
Mrs. Hemlata Jain	Wife of Mr. Gajraj Jain	-	-	-	-	-
Mr. Jitendra Kumar Mishra	None	1,16,700/-	-	-	-	1,16,700/-
Mr. Tilak Raj Goyal	None	60,000/-	-	-	-	60,000/-

## 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. To enable better and more focused attention on the affairs of the Company, the Board has delegated particular matters to the Committees of the Board set up for the purpose. 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:



- A. Audit Committee
- B. Nomination and Remuneration Committee
- C. Stakeholders' Relationship Committee
- D. Corporate Social Responsibility Committee (Constituted w.e.f. 25<sup>th</sup> 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.

During the Financial Year 2021-22, Mr. Prakash Goyal, Independent Director & Chairman of Audit Committee ceased from the directorship due to death dated May 01, 2021 and the board had reconstituted the Audit Committee on 25<sup>th</sup> 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. 25<sup>th</sup> June, 2021.

#### AUDIT COMMITTEE Powers of Audit Committee



#### At present, the Composition of the committee as follow:-

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

All members are financially literate and bring in expertise in the fields of finance, accounting, development, strategy and management.

#### (B) Meeting / Attendance

During the financial year ended 31<sup>st</sup> March 2022 the Audit Committee of the company met five times. The dates of the meetings were 12<sup>th</sup> April, 2021, 25<sup>th</sup> June, 2021, 30<sup>th</sup> July, 2021, 18<sup>th</sup> October, 2021 and 24<sup>th</sup> January, 2022.

#### Attendance of Directors at committee meetings is shown below:

Name of the Director	Designation	Attendance at Committee Meeting	
		Held	Attended
Mr. Prakash Goyal (upto 01/05/2021)	Chairman	5	1
Mr. Jitendra Kumar Mishra	Chairman	5	5
Mr. Tilak Raj Goyal (w.e.f 25/06/2021)	Member	5	3
Mr. Gajraj Jain	Member	5	5

The requisite quorum was present at all meetings.

The Company Secretary functions as the Secretary of the Committee.

The CFO assists the Committee in the discharge of its responsibilities. The Committee invites such employees or advisors as it considers appropriate to attend. The CFO, the head of internal audit and statutory auditors are generally invited to attend meetings unless the Committee considers otherwise. Quarterly Reports are provided to the members of the Committee on matters relating to the Code.

The Internal Auditors and Statutory Auditors of the Company discuss their audit findings and updates with the Committee and submit their views directly to the Committee. Separate discussions are held with the Internal Auditors to focus on compliance issues and to conduct detailed reviews of the processes and internal controls in the Company. The permissible non-audit related services undertaken by the Statutory Auditors are also preapproved by the Committee.

The Company Secretary acts 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 36<sup>th</sup> Annual General Meeting of the Company held on September 21, 2021 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:-

- a) Review of financial reporting process.
- b) Reviewing with the management, the annual financial statements and auditors' report thereon before submission to the board for approval.
- c) Evaluation of internal financial controls and risk management systems.
- d) Recommendation for appointment, remuneration and terms of appointment of auditors of the Company.
- e) Review and monitor the Auditor's independence, performance and effectiveness of audit process.
- f) 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.
- g) Approving the appointment of the CFO.
- h) Scrutinize inter-corporate loans and investments.
- i) Approval/modification of the transactions with related parties.

## **II. NOMINATION AND REMUNERATION COMMITTEE (NRC)**

**A.** 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.



During the F.Y 2021-22, Mr. Prakash Goyal, Independent Director & Chairman of the NRC Committee of the Company ceased from the directorship due to death dated May 01, 2021 and the board had reconstituted the NRC Committee on 25<sup>th</sup> 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. 25<sup>th</sup> June, 2021.

**At Present the composition of the Committee is as follow:-**

<b>Name of Director</b>	<b>Designation</b>
Mr. Jitendra Kumar Mishra	Chairman
Mrs. Hemlata Jain	Member
Mr. Tilak Raj Goyal	Member

**(B) Meeting / Attendance**

During the financial year ended 31<sup>st</sup> March, 2022 the Nomination and Remuneration Committee of the company met onetime. The date of the meeting was **25<sup>th</sup> June, 2021.**

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

<b>Name of the Director</b>	<b>Designation</b>	<b>Attendance at Committee Meeting</b>	
		<b>Held</b>	<b>Attended</b>
Mr. Prakash Goyal (upto 01/05/2021)	Chairman	1	NA
Mr. Jitendra Kumar Mishra	Chairman	1	1
Mr. Tilak Raj Goyal (w.e.f 25/06/2021)	Member	1	NA
Mrs. Hemlata jain	Member	1	1

**(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):

1. 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:**

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

**(F) Remuneration Of Non Executive Directors:**

Non Executive Directors of the company were not paid any remuneration during the year under review, however sitting fees, reimbursement of expenses for participation in the Board/ Committee meetings was paid to Independent Director. **Details of the Sitting Fess paid for the year ended March 31, 2022 is as below:**

Name of The Director	Designation	Sitting Fees (Paid) F.Y. 2022
Mr. Jitendra Kumar Mishra	Non-Executive, Independent Director	1,16,700/-
Mr. Tilak Raj Goyal	Non-Executive, Independent Director	60,000/-

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. Jitendra Kumar Mishra, the Chairman of the NRC has attended the Annual General Meeting of the Company held on September 21, 2021, 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.

**(G) 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 (SRC)**

- 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 2021-22, Mr. Prakash Goyal, Independent Director of the Company ceased from the directorship due to death dated May 01, 2021 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. Further, the board of Directors in their meeting held on September 16, 2021 had re-constituted the composition of SRC Meeting.



**At present, the Composition of the Committee as follows:**

<b>Name of Director</b>	<b>Designation</b>
Mr. Jitendra Kumar Mishra	Chairman
Mrs Hemlata Jain	Member
Mr. Gajraj Jain	Member

**(B) Meeting / Attendance**

The Stakeholders Relationship committee met on 18<sup>th</sup> October, 2021 & 19<sup>th</sup> February, 2022 to redress the grievances of the security holders of the Company. All the members of the committee were present in these meetings.

<b>Name of the Director</b>	<b>Designation</b>	<b>Attendance at Committee Meeting</b>	
		<b>Held</b>	<b>Attended</b>
Mr. Jitendra Kumar Mishra	Chairman	2	1
Mrs Hemlata Jain	Member	2	2
Mr. Gajraj Jain	Member	2	2

**(C) 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 Requirements) 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.
- Approval of issue of duplicate certificates for securities and transmission of securities.
- All other matters related to shares/debentures.
- Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent.

The Shareholders grievance committee met during financial year 2021-2022 to monitor the grievances of the security holders of the Company. The required quorum 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  
1512, Fifteen Floor, DLF Galleria Commercial Complex,  
DLF City Phase IV, Gurugram, Haryana, 122009

❖ **Stakeholders Grievance Redressal:**

During the year ended March 31, 2022, No Shareholders' Complaints were received. There were no outstanding complaints at the end of the year.

The details of shareholders complaints are as follows:-

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)

- (A) Based on the Audited Financial Statement as 31st March 2022, 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 there under.



The Composition of the Committee as follow:

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

#### (B) Meeting / Attendance

The CSR committee met on 18<sup>th</sup> October, 2021. All the members of the committee were present in these meetings.

Name of the Director	Designation	Attendance at Committee Meeting	
		Held	Attended
Mr. Gajraj Jain	Chairman	1	1
Mrs Hemlata Jain	Member	1	1
Mr. Jitendra Kumar Mishra	Member	1	1

#### (C) 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& recommend 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.
4. Monitor the CSR Policy.

#### (D) CSR POLICY

The Company has adopted a CSR policy which indicates the activities to be undertaken by the Company as specified in Schedule VII to the Act. The policy, including overview of projects or programs proposed to be undertaken, is provided on the Company's website at [www.cpil.com](http://www.cpil.com).

#### 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 24<sup>th</sup> January, 2022.

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

#### Meeting / Attendance

During the financial year ended 31<sup>st</sup> March, 2022 the Independent Directors meeting of the company met onetime. The date of the meeting was 24<sup>th</sup> January, 2022.

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

#### 5. DETAILS ON GENERAL BODY MEETINGS



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.	2020-21	September 21, 2021	Meeting Held by way of Video Conferencing/Other Audio -Visual Means (OAVM)	12:00 Noon	No
2.	2019-20	September 21, 2020	Meeting Held by way of Video Conferencing/Other Audio -Visual Means (OAVM)	11:00 A.M.	No
3.	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"> <li>❖ Re-appointment of Mr. Prakash Goyal (DIN: 02598736) as Independent Director of the Company.</li> <li>❖ Re-appointment of Mr. Nishant Goyal (DIN: 06541748) as Independent Director of the Company.</li> <li>❖ Approve the Borrowing Limit of the Company under Section 180(1)(c) of the Companies Act, 2013.</li> </ul>

- (B) Extra-Ordinary General Meeting:- No Extraordinary General Meeting of the Members was held during FY22.
- (C) Details of the meeting convened in pursuance of the order passed by the National Company Law Tribunal (NCLT): Not applicable
- (D) 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 Standalone 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](http://www.cpil.com).

**(i) WEBSITE**

The Company's website [www.cpil.com](http://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 2020-21 containing inter alia, Audited Financial Statements, Boards' Report, Management Discussion and Analysis and Corporate Governance Report etc. was sent to all Members via email to all shareholders who have provided their email addresses. Annual Reports are also hosted on the website of the Company at [www.cpil.com](http://www.cpil.com). The Company also provides live webcast facility of its AGM in co-ordination with NSDL. The Notice of the AGM along with the Annual Report for FY22 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/Depositories. However, Members desiring a physical copy of the Annual Report for FY 22, may either write to us or email us on [cs@cpil.com](mailto:cs@cpil.com), to enable the Company to dispatch a copy of the same. Please include details of Folio No./DP ID and Client ID and holding details in the said communication.

**(B) FINANCIAL RESULTS:** Quarterly financial results are announced within 45 (forty- five) days from the end of the quarter and annual audited results are announced within 60 (sixty) days from the end of the financial year as per Regulations 33 of the Listing Regulations and are published in the newspapers in accordance with Regulation 47 of the Listing Regulations. Quarterly financial results are announced to Stock Exchanges within 30 (thirty) minutes from the closure of the Board meeting at which these are considered and approved.

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) PRESS RELEASE:** 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) EMAIL COMMUNICATION:** As permitted under Section 20 and 136 of the Act read with Companies (Accounts) Rules, 2014 during the year under review, the Company sent various communications, such as notice calling the general meeting, audited financial statements including Board's report, Tax Deducted at Source intimation, credit of dividend intimation letters, etc. in electronic form at the email IDs provided by the Members and made available by them to the Company through the depository participants.

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/RTA under the signature of the first named Shareholders who are holding shares in a demat form can do so by contacting their Depository Participant.

**EXTENSIBLE BUSINESS REPORTING LANGUAGE (XBRL)** is a standardized and structured way of communicating business and financial data in an electronic form. XBRL provides a language containing various definitions (tags) which uniquely represent the contents of each piece of financial statements or other kinds of compliance and business reports. BSE provide XBRL based compliance reporting featuring identical and homogeneous compliance data structures between Stock Exchanges and MCA. XBRL filings are done on the BSE online portal.

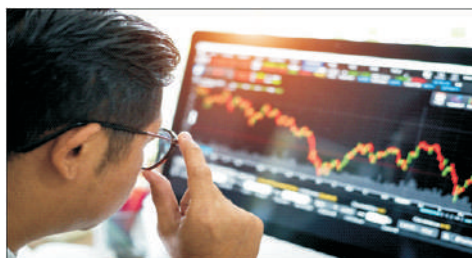


## 7. GENERAL SHAREHOLDER INFORMATION:

I	<b>Date, Time &amp; Venue of AGM</b>	The forthcoming 37th Annual General Meeting of your Company will be held on will be held on Friday, the 30 <sup>th</sup> September 2022 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 11:30A.M. 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	<b>Financial Calendar</b>	
	<b>Financial Year</b>	April 01, 2022 to March 31, 2023
	<b>First Quarter Results</b>	By First week of August, 2022
	<b>Second Quarter Results</b>	By Last week of October, 2022
	<b>Third Quarter Results</b>	By Last week of January, 2023
	<b>Fourth Quarter &amp; Annual Year Ended March, 31, 2023</b>	By 3 <sup>rd</sup> Week of May, 2023
III	<b>Book Closure</b>	The register of Member will remain closed for transfer from <b>24<sup>th</sup> Day of September, 2022 (Saturday) till 30<sup>th</sup> Day of September, 2022 (Friday)</b>
IV	<b>Listing</b>	The Company's Share are listed and traded on Bombay Stock Exchange 1 <sup>st</sup> Floor, New Trading Ring, Rotunda Building, P J Towers, Dalal Street, Fort, Mumbai- 400 001).  The Company has paid the requisite Annual Listing and Custodial Fees to the Stock Exchanges and Depositories viz. CDSL and NSDL, respectively for the financial years 2021-22 and 2022-23.
V	<b>Stock Code</b>	530309(BSE)
	<b>ISIN No.(Demat No.) NSDL &amp; CDSL</b>	INE 368D01017
	<b>Corporate Identity Number (CIN):</b>	<b>L51909DL1984PLC019441</b>
VII	<b>Registrar and Share Transfer Agents:</b>	<i>Alankit Assignment Ltd.</i> 4E/2, Jhandewalan Extension, New Delhi- 110055 <b>Ph: 011- 42541234/23541234</b> <b>Fax: 011- 23552001</b> E-mail: <a href="mailto:info@alankit.com">info@alankit.com</a> Website: <a href="http://www.alankit.com">www.alankit.com</a>
VIII	<b>Dividend Payment Date (for the financial year 2021-22)</b>	The Board of Directors of the Company has recommended the Final Dividend of Rs. 1.50 per Equity Shares (15% of the Face Value of Rs. 10/- each) for the FY 2021-22 to Members for their approval. If approved by the Members, shall be payable on or before 29.10.2022). For the Members who are unable to receive the dividend directly in their bank accounts, the Company shall dispatch the dividend warrant to them.

## 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:



<u>Month</u>	<u>High (Rs.)</u>	<u>Low (Rs.)</u>
April, 2021	35.65	29.00
May, 2021	29.60	29.60
June, 2021	49.65	35.00
July, 2021	129.70	52.10
August, 2021	178.95	122.60
September, 2021	176.00	137.90
October, 2021	197.45	130.25
November, 2021	146.00	113.30
December, 2021	137.75	115.05
January, 2022	235.20	131.35
February, 2022	272.75	196.00
March, 2022	262.95	205.45

#### (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.

Members may please note that SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2022/8 dated January 25, 2022 has mandated the Listed Companies to issue securities in demat form only while processing service requests viz. Issue of duplicate securities certificate; claim from Unclaimed Suspense Account; Renewal/Exchange of securities certificate; Endorsement; Sub-division/Splitting of securities certificate; Consolidation of securities certificates/folios; Transmission and Transposition. Accordingly, Shareholders are requested to make service requests by submitting a duly filled and signed Form ISR-4, the format of which is available on the Company's website at [www.cpil.com](http://www.cpil.com) and on the website of the Company's RTA at [www.alankit.com](http://www.alankit.com). It may be noted that any service request can be processed only after the folio is KYC compliant. SEBI vide its notification dated January 24, 2022 has mandated that all requests for transfer of securities including transmission and transposition requests shall be processed only in dematerialized form. In view of the same and to eliminate all risks associated with physical shares and avail various benefits of dematerialisation, Members are advised to dematerialise the shares held by them in physical form. Members can contact the Company or RTA, for assistance in this regard.

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 :

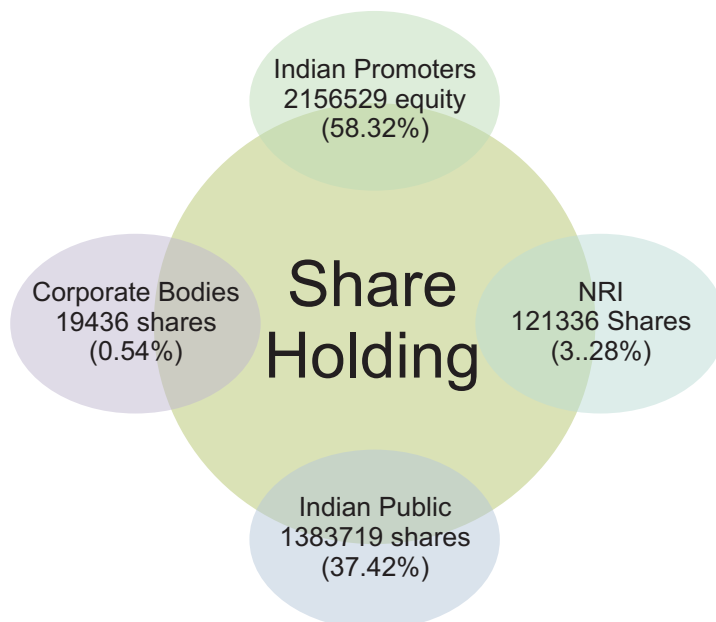
#### A. Distribution of Share holding as on 31st March, 2022

No. of Shares held	Shareholders		No. of Shares	
	Number	% to Total	Shares	% to Total
Upto 5000	4692	99.18	1103549	29.84
5001 – 10000	22	0.47	163211	4.41
10001-20000	10	0.21	133337	3.61
20001-30000	0	0.00	0	0.00
30001-40000	1	0.02	38505	1.04
40001-50000	0	0.00	0	0.00
50001-100000	2	0.04	181619	4.91
100000 and above	4	0.08	2077779	56.19
Total	4731	100	3698000	100

#### B. Shareholding Pattern as on 31<sup>st</sup> March, 2022 :

Categories	No. of Shares	% of Shareholding
Indian Promoters	2156529	58.32
Persons Acting in Concert	-	-
Institutional Investors	-	-
Corporate Bodies	19436	0.53
Indian Public	1383719	37.42
Non Resident Indians.	121336	3.28
Clearing Members	16980	0.46
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 31<sup>st</sup> March, 2022 is as under:

Mode	No. of Share	%
1. Dematerialization Form CDSL	838204	22.67%
NSDL	2781590	75.22%
Sub Total	3619794	97.89%
2. Physical	78206	2.11%
<b>Total</b>	<b>3698000</b>	<b>100%</b>

As on 31<sup>st</sup> March, 2022 **3619794 Equity Shares** of the Company have been dematerialized representing **97.89%** 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, 2022, 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:

<b>Registered Office :</b> <b>Chandra Prabhu International Ltd.</b> 14, Rani Jhansi Road, New Delhi 110 055  <b>Corporate Office:</b> 1512, Fifteen Floor, DLF Galleria Commercial Complex, DLF City Phase IV, Gurugram, Haryana, 122009  Email: <a href="mailto:info@cpil.com">info@cpil.com</a> , <a href="mailto:cs@cpil.com">cs@cpil.com</a> Phone: +91-124-44754936	<u>OR</u>	<b>Registrar &amp; Transfer Agent:</b> <b>Alankit Assignment Ltd.</b> 4E/2, Jhandewalan Extension, New Delhi- 110 055  <b>Ph : 011- 42541234/23541234</b> E-mail: <a href="mailto:info@alankit.com">info@alankit.com</a>
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**(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](http://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 2021-22 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 31<sup>st</sup> March, 2022. The Code of Ethics is aimed at maintaining the professional and ethical standards in the functioning of the Company.



**Compliance of Corporate Governance requirements specified in Regulation 17 to 27 and Regulation 46(2) of the Listing Regulations: -**

Particulars	Regulation	Compliance Status Yes / No / N.A	Key Compliance observed
Board of Directors	17	Yes	<ul style="list-style-type: none"> <li>Composition and Appointment of Directors</li> <li>Meetings and quorum</li> <li>Review of compliance reports</li> <li>Plans for orderly succession</li> <li>Code of Conduct</li> <li>Fees / compensation to Non-Executive Directors</li> <li>Minimum information to be placed before the Board</li> <li>Compliance Certificate by Chief Executive Officer and Chief Financial Officer</li> <li>Risk management plan, risk assessment and minimisation procedures</li> <li>Performance evaluation of Independent Directors</li> <li>Recommendation of Board for each item of special business</li> </ul>
Maximum Number of Directorships	17A	Yes	Directorships in listed entities
Audit Committee	18	Yes	<ul style="list-style-type: none"> <li>Composition</li> <li>Meetings and quorum</li> <li>Chairperson present at Annual General Meeting</li> <li>Role of the Committee</li> </ul>
Nomination and Remuneration Committee	19	Yes	<ul style="list-style-type: none"> <li>Composition</li> <li>Meetings and quorum</li> <li>Chairperson present at Annual General Meeting</li> <li>Role of the Committee</li> </ul>
Stakeholders Relationship Committee	20	Yes	<ul style="list-style-type: none"> <li>Composition</li> <li>Meetings</li> <li>Chairperson present at Annual General Meeting</li> <li>Role of the Committee</li> </ul>
Risk Management Committee	21	N.A	<ul style="list-style-type: none"> <li>Composition</li> <li>Meetings</li> <li>Role of the Committee</li> </ul>
Vigil Mechanism	22	Yes	<ul style="list-style-type: none"> <li>Vigil Mechanism and Whistle-Blower Policy for Directors and employees</li> <li>Adequate safeguards against victimisation</li> <li>Direct access to the Chairperson of Audit Committee</li> </ul>
Related party transactions	23	Yes	<ul style="list-style-type: none"> <li>Policy on Materiality of related party transactions and dealing with related party transactions</li> <li>Prior approval including omnibus approval of Audit Committee for related party transactions</li> <li>Periodical review of related party transactions</li> <li>Disclosure on related party transactions</li> </ul>
Subsidiaries of the Company	24	N.A	<ul style="list-style-type: none"> <li>Appointment of Company's Independent Director on the Board of unlisted material subsidiaries</li> <li>Review of financial statements and investments of unlisted subsidiaries by the Audit Committee</li> <li>Minutes of the Board of Directors of the unlisted subsidiaries are placed at the meeting of the Board of Directors</li> <li>Significant transactions and arrangements of unlisted subsidiaries are placed at the meeting of the Board of Directors</li> </ul>
Secretarial Audit	24A	Yes	<ul style="list-style-type: none"> <li>Secretarial Audit of the Company</li> <li>Secretarial Audit of material unlisted subsidiaries incorporated in India</li> <li>Annual Secretarial Compliance Report</li> </ul>
Obligations with respect to Independent Directors	25	Yes	<ul style="list-style-type: none"> <li>Tenure of Independent Directors</li> <li>Meetings of Independent Directors</li> <li>Cessation and appointment of Independent Directors</li> <li>Familiarisation of Independent Directors</li> <li>Declaration from Independent Director that he / she meets the criteria of independence are placed at the meeting of Board of Directors</li> <li>Directors and Officers insurance for all the Independent Directors</li> </ul>
Obligations with respect to employees including Senior Management, Key Managerial Persons, Directors and Promoters	26	Yes	<ul style="list-style-type: none"> <li>Memberships / Chairmanships in Committees</li> <li>Affirmation on compliance with Code of Conduct by Directors and Senior</li> <li>Disclosure of shareholding by Non-Executive Directors</li> <li>Disclosures by Senior Management about potential conflicts of interest</li> <li>No agreement with regard to compensation or profit sharing in connection with dealings in securities of the Company by Key Managerial Personnel, Director and Promoter</li> </ul>
Other Corporate Governance requirements	27	Yes	<ul style="list-style-type: none"> <li>Compliance with discretionary requirements</li> <li>Filing of quarterly, half-yearly and yearly compliance report on Corporate</li> </ul>
Website	46(2)	Yes	<ul style="list-style-type: none"> <li>Terms and conditions of appointment of Independent Directors</li> <li>Composition of various Committees of the Board of Directors</li> <li>Code of Conduct of Board of Directors and Senior Management Personnel</li> <li>Details of establishment of Vigil Mechanism / Whistle-blower policy</li> <li>Criteria of making payments to Non-Executive Directors</li> </ul>

## 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 which can be access at the website of the company at [www.cpil.com](http://www.cpil.com). The policy can be Transactions entered into with related parties during the financial year were in the ordinary course of business and at arm's length basis and were approved by the Audit Committee. Certain transactions, which were repetitive in nature, were approved through omnibus route.



### 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):

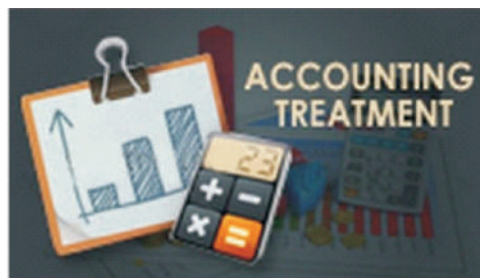
The Company has adopted a whistle blower policy and has established the necessary vigil mechanism for employees and directors to report concerns about unethical behavior. No person has been denied access to the chairman of the audit committee. The said policy has been also put up on the website of the 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](http://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-7 as available on the website of the Company i.e [www.cpil.com](http://www.cpil.com).

### INTER SE RELATIONSHIPS BETWEEN DIRECTORS

There has been no inter se relationship between directors during the Financial Year 2021-22 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 familiarisation 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, 2022, 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**

The Company has always believed in providing a safe and harassment-free workplace for every individual working in the Company. The Company has complied with the applicable provisions of the aforesaid Act, and the rules framed thereunder, including constitution of the Internal Complaints Committee. The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the same is available on the Company's website at [www.cpil.com](http://www.cpil.com). All employees (permanent, contractual, temporary and trainees, etc.) are covered under this Policy.

**Status of complaints as on March 31, 2022:**

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

- **DETAILS REGARDING UNCLAIMED AMOUNT OF DIVIDEND**

In accordance with the provisions of Sections 124, 125 and other applicable provisions, if any, of the Act, read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (hereinafter referred to as 'IEPF Rules') (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the amount of dividend remaining unclaimed or unpaid for a period of seven years from the date of transfer to the Unpaid Dividend Account is required to be transferred to the Investor Education and Protection Fund (IEPF) maintained by the Central Government. In pursuance of this, the dividend remaining unclaimed in respect of dividends declared upto the financial year ended March 31, 2014 have been transferred to the IEPF. The details of the unclaimed dividends so transferred are available on the Company's website at [www.cpil.com](http://www.cpil.com) and on the website of MCA at <http://www.iepf.gov.in/>.

- **DETAILS REGARDING FINAL DIVIDEND FOR THE FY 2021-22**

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 2021-22, 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](http://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](http://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 IV**.

- **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 V**.

- **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 VI**.

- **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. 2.45
Tax Audit Fees	Rs. 0.89
<b>Total</b>	<b>Rs. 3.34</b>



• **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 2021-22 does not contain any audit qualification. The Company's audited Financial Statements are accompanied with unmodified opinion from Statutory Auditor of the Company.

**E-VOTING:**

E-voting is a common internet infrastructure that enables investors to vote electronically on resolutions of companies. The Company will also have the e-Voting facility for the items to be transacted at this AGM. The MCA has authorised NSDL and CDSL for setting up electronic platform to facilitate casting of votes in electronic form. The Company has entered into agreements with NSDL for availing e-Voting facilities.

**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.
- ❖ Folio Nos./DP ID/Client ID should not be disclosed to any unknown persons. Signed delivery instruction slips should not be given to any unknown persons.
- ❖ **Norms for furnishing of PAN, KYC, Bank details and Nomination**

SEBI vide circular dated November 3, 2021, has mandated listed companies to have PAN, KYC, bank details and Nomination of all shareholders holding shares in physical form. Folios wherein any one of the cited details / documents (i.e. PAN, KYC, Bank details and Nomination) are not available with us, on or after April 1, 2023, shall be frozen as per the aforesaid SEBI circular. The forms for updation of PAN, KYC Bank details and Nomination viz., Forms ISR-1, ISR-2, ISR-3, SH-13 and the said SEBI circular are available on our website at [www.cpil.com](http://www.cpil.com). In view of the above, we urge Members holding shares in physical form to submit the required forms along with the supporting documents at the earliest. The Company has sent a letter to the Members holding shares in physical form in relation to the aforesaid on February 10, 2022. In respect of Members who hold shares in dematerialized form and wish to update their PAN, KYC, Bank details and Nomination are requested to contact their respective Depository Participants.

### **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](http://www.cpil.com). All the Board members and senior management personnel for the financial year ended 31<sup>st</sup> March, 2022 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**

**Gurugram**  
**September 01, 2022**

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**By order of the Board of Director**

**GAJRAJ JAIN**  
**Chairman Cum Managing Director**  
**DIN: 00049199**

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

**Registered Office :**

14, Rani Jhansi Road, New Delhi-110055  
Phone: 011-23516567, Fax: 91-11-23553698

**Corporate Office :**

1512, Fifteen Floor, DLF Galleria Commercial Complex,  
DLF City Phase IV, Gurugram, Haryana, 122009  
Phone: +91-124-44754936  
**Email:** [info@cpil.com](mailto:info@cpil.com), [cs@cpil.com](mailto:cs@cpil.com)  
**Website :** [www.cpil.com](http://www.cpil.com).

**ANNEXURE-IV****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, 2022, 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 31<sup>st</sup> March, 2022 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**

**GAJRAJ JAIN**  
**Chairman Cum Managing Director**  
**DIN:-00049199**

**AMAR SINGH**  
**Chief Financial Officer**

**Place: Gurugram**  
**Date: September 01, 2022**

**ANNEXURE-V****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, 2022 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, 2021 to March 31, 2022.

**Management Responsibility for compliance with the conditions of Listing Regulations**

- 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.
- 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**

- 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.
- 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**

- 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, 2022

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**

**PLACE: New Delhi**  
**DATE: September 01, 2022**  
**UDIN: F008493D000904542**

## ANNEXURE-VI

## 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 1512, Fifteen 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 Obligations 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](http://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 31<sup>st</sup> march, 2022 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. Prakash Goyal*	02598736	Independent Director
4.	Mr. Jitendra Kumar Mishra	07983426	Independent Director
5.	Mr. Tilak Raj Goyal**	00403414	Independent Director

*\*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.*

*\*\* MR. Tilak Raj Goyal was appointed as an independent director w.e.f 25th June, 2021 by the shareholder in their 36<sup>th</sup> Annual General Meeting.*

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**

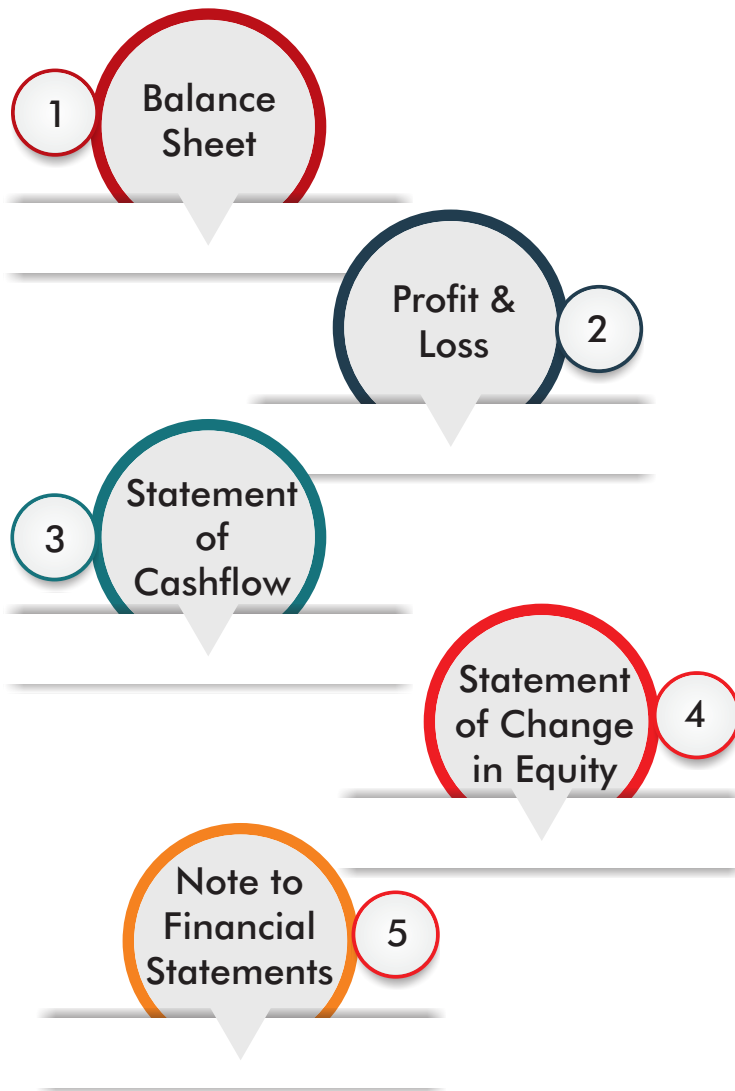
**COP No. : 9760**

**DATE: 01/09/2022**

**PLACE: NEW DELHI**

**UDIN: F008493D000904597**

# 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 PRABU INTERNATIONAL LIMITED**

**Report on the Audit of the Standalone Financial Statements**

### **Opinion**

We have audited the accompanying standalone financial statements of **Chandra Prabu International Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2022, 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, 2022, and its 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 ethical 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 obtained by us 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 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.

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 Ind AS and other accounting principles generally accepted in India. 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, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is 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.
- 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.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

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, 2020 ("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. [A] 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.
  - 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, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.
  - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- [B] 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.
  - iv.
    - (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
    - (b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
    - (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v. As stated in Note14 to the standalone financial statements

- (a) The final dividend proposed in the previous year, declared and paid by the Company during the year is in accordance with Section 123 of the Act, as applicable.
- (b) The Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with section 123 of the Act, as applicable.

[C] 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.

*For* **Mittal Garg Gupta & Co**  
**Chartered Accountants**  
**FRN 016591N**

**C A Sanjay Gupta**  
**Partner**  
**M. No. 093321**

**UDIN:22093321AJRP3581**

**Place: New Delhi**

**Dated: 25<sup>th</sup> May, 2022**

### Annexure “A” to the Independent Auditors' Report

Report on Companies (Auditor's Report) order, 2020 ('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')

To the best of our information and according to the explanations provided to us by the company and the books of account and records examined by us in the normal course of audit, we state that:

**i. In respect of the Company's Property, Plant and Equipment and Intangible Assets:**

- (a) (A) The company has maintained proper records showing full particulars including quantitative details and situation of Property Plant and Equipment.
- (B) The company has no intangible assets; hence this clause is not applicable.
- (b) The company has a program of physical verification of Property Plant and Equipment to cover all the assets in a phased program of once in three years which in our opinion is reasonable with regard to size of the company and nature of its assets. Pursuant to the program, a portion of the property, plant and equipment's were physically verified by the management during the year. According to the information and explanation given to us, no significant material discrepancies between the book records and such physical verification have been noticed on such verification.
- (c) Based on our examination of the registered sale deed / conveyance deed provided to us we report that, the title in respect of immovable property is disclosed in the financial statement included under Property, plant and equipment are held in the name of the company as at Balance Sheet date.
- (d) The company has not revalued any of its property, plant and equipment / intangible assets during the year.
- (e) No proceeding has been initiated during the year or are pending against the company as at 31<sup>st</sup> March, 2022 for holding any Benami property under the Benami Transactions (Prohibitions) Act, 1988 (as amended in 2016) and Rules made thereunder.

- ii. (a) As explained to us, physical verification of inventory has been conducted at reasonable intervals by the management. In our opinion, the coverage and procedure of such verification by the management is appropriate. No discrepancy of 10% or more in the aggregate for each class of inventory were noticed on physical verification of stocks by the management as compared to book records.

- (b) The company has been sanctioned / released working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets during February 2022. The quarterly returns or statements filed by the company with such banks or financial institutions are in agreement with the books of account of the Company.

- iii. (a) During the year the company has provided loans to any other entity:

the aggregate amount during the year with respect to such loans or advances to parties other than subsidiaries, joint ventures and associates is Rs. One crore and balance outstanding at the balance sheet date is Rs. One Crore.

- (b) According to the information and explanations given to us, the terms and conditions of the grant of all loans and advances provided are not prima facie prejudicial to the company's interest.
- (c) In respect of loans and advances in the nature of loans, where the schedule of repayment of principal and payment of interest has been stipulated, the repayments or receipts are regular.

- (d) There are no overdue amounts in respect of the loans granted to the parties.
- (e) No loan or advance in the nature of loan granted has fallen due during the year. No loan has been renewed or extended or fresh loans granted to settle the over dues of existing loans given to the same parties.
- (f) The company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment.

The company has not provided any guarantee or security or granted any advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties.

- iv. 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.
- v. 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.
- vi. 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.
- vii. 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:
  - (a) The company is generally regular in depositing undisputed statutory dues including Goods and Service Tax, provident fund, employees' state insurance, sales-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 to it. According to it there are no undisputed amounts payable in respect of Goods and Service Tax, income tax, sales tax, service tax, duty of excise, duty of custom and other material statutory dues was in arrears as on 31st March, 2022 for a period of more than six months from the date they became payable.
  - (b) According to the information and explanations given to us, there is no statutory dues referred to in sub-clause (a) that have not been deposited on account of any dispute except following:

Name of the Statute	Nature of the Dues	Amount (Rs.)	Period to which the amount relates	Forum where Dispute is pending
Sales Tax Act and VAT Laws	Sales Tax	17,74,874	FY 12-13	Appellate Authority up to Commissioner Level

- viii. According to the information and explanations given by the management, no transactions not recorded in the books of account have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- ix. (a) In our opinion and according to the information and explanations given by the management, we are of the opinion that the company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.

- (b) According to the information and explanations given by the management, the company is not declared willful defaulter by any bank or financial institution or other lender;
  - (c) In our opinion and according to the information and explanations given by the management, the Company has utilized the money obtained by way of term loans during the year for the purposes for which they were obtained,
  - (d) In our opinion and according to the information and explanations given by the management, funds raised on short term basis have not been utilized for long term purposes.
  - (e) In our opinion and according to the information and explanations given by the management, the company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures,
  - (f) In our opinion and according to the information and explanations given by the management, the company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.
- x. (a) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year, hence reporting under clause 3(x)(a) of the Order is not applicable.
- (b) The company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year.
- xi. (a) According to the information and explanations given by the management, no fraud by the company or any fraud on the company has been noticed or reported during the year
- (b) No report under sub-section (12) of section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government;
- (c) According to the information and explanations given to us by the management, no whistle-blower complaints had been received by the company
- xii. The company is not a Nidhi Company. Therefore, clause xii is not applicable on the company.
- xiii. According to the information and explanations given to us, all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, where applicable and the details have been disclosed in the financial statements, etc., as required by the applicable accounting standards;
- xiv. (a) According to the information and explanations given by the management, the company has an internal audit system commensurate with the size and nature of its business;
- (b) the reports of the Internal Auditors for the period under audit were considered by us;
- xv. On the basis of the information and explanations given to us, in our opinion during the year the company has not entered into any non-cash transactions with directors or persons connected with him.
- xvi. (a) In our Opinion and based on our examination, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934).
- (b) In our Opinion and based on our examination, the Company has not conducted any Non-Banking Financial or Housing Finance activities without a valid Certificate of Registration (COR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934,



- (b) In our Opinion and based on our examination, the Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India.
  - (c) According to the information and explanations given by the management, the Group does not have any CIC as part of the Group.
- xvii. Based on our examination, the company has not incurred cash losses in the financial year and in the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors during the year.
- xix. On the information obtained from the management and audit procedures performed and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, the auditor's knowledge of the Board of Directors and management plans, we are of the opinion that no material uncertainty exists as on the date of the audit report that company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of 1 year from the Balance Sheet date, will get discharge by the company as and when they fall due.
- xx. (a) Based on our examination, there are no unspent amount towards Corporate Social Responsibility (CSR) in respect of other than ongoing projects requiring a transfer to a Fund specified in Schedule VII to the Companies Act in compliance with Second Proviso to sub section (5) of Section 135 of the said Act. According, reporting under clause 3(xx)(a) of the Order is not applicable for the year.
- (b) There are no on-going projects, hence this clause is not applicable.
- xxi. The company is not required to prepare Consolidate financial statement hence this clause is not applicable

**For Mittal Garg Gupta & Co**  
**Chartered Accountants**  
**FRN 016591N**

**C A Sanjay Gupta**  
**Partner**  
**M. No. 093321**

**UDIN:22093321AJRP3581**

**Place: New Delhi**  
**Dated: 25<sup>th</sup> May, 2022**

## 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, 2022 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,

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, 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over financial reporting issued by the Institute of Chartered Accountants of India.

**For Mittal Garg Gupta & Co**  
**Chartered Accountants**  
**FRN 016591N**

**C A Sanjay Gupta**  
**Partner**  
**M. No. 093321**

**UDIN:22093321AJPRP3581**

**Place: New Delhi**  
**Dated: 25<sup>th</sup> May, 2022**

# BALANCE SHEET

Balance Sheet as at 31st March 2022

Amt in Lakhs (₹)

Particulars	Notes	As at 31st March 2022	As at 31st March 2021
<b>ASSETS</b>			
<b><u>(1) Non-Current Assets</u></b>			
(a) Property, Plant and Equipment	3	206.60	29.94
(b) Financial Assets			
(i) Investment		-	-
(ii) Other Financial Asset	4	0.75	3.27
(c) Deferred tax assets (net)	5	17.99	14.22
(d) Other Non-Current Assets	6	74.10	50.04
<b>Total Non-Current Assets</b>		<b>299.44</b>	<b>97.47</b>
<b><u>(2) Current Assets</u></b>			
(a) Inventories	7	345.45	127.61
(b) Financial Assets			
(i) Trade Receivables	8	2,138.84	2,155.86
(ii) Cash and Cash Equivalents	9	237.50	110.05
(iii) Bank Balances other than (ii) above	10	0.57	1.63
(iv) Loans	11	100.00	-
(v) Other Financial Assets	12	1,285.60	-
(c) Other current assets	13	2,995.08	1,144.51
<b>Total Current Assets</b>		<b>7,103.04</b>	<b>3,539.66</b>
<b>Total Assets</b>		<b>7,402.48</b>	<b>3,637.13</b>
<b>EQUITY AND LIABILITIES</b>			
<b><u>Equity</u></b>			
(i) Equity Share Capital	14	369.80	369.80
(ii) Other Equity	15	3,537.82	1,553.35
<b>Total Equity</b>		<b>3,907.62</b>	<b>1,923.15</b>
<b><u>Liabilities</u></b>			
<b><u>(1) Non-Current Liabilities</u></b>			
(a) Financial Liabilities			
(i) Borrowings	16	7.76	4.73
(b) Provisions	17	3.36	2.93
<b>Total Non-Current Liabilities</b>		<b>11.12</b>	<b>7.66</b>
<b><u>(2) Current Liabilities</u></b>			
(a) Financial Liabilities			
(i) Borrowings	18	799.86	289.27
(ii) Trade Payables	19	944.22	457.90
(iii) Other Financial Liabilities	20	195.97	1.64
(b) Other Current Liabilities	21	838.15	810.30
(c) Provisions	22	2.58	1.92
(d) Current Tax Liabilities	23	702.96	145.29
<b>Total Current Liabilities</b>		<b>3,483.74</b>	<b>1,706.32</b>
<b>Total Equity and Liabilities</b>		<b>7,402.48</b>	<b>3,637.13</b>
<b>Significant Accounting Policies</b>	1 & 2		
<b>The accompanying notes are an integral part of the financial statements</b>			
<i>As per our Report of even date.</i>			
<b>For Mittal Garg Gupta &amp; Co</b>		<b>For and on behalf of the Board of Directors</b>	
<b>Chartered Accountants</b>			
<b>FRN: 016591N</b>			
<b>CA Sanjay Gupta</b>		<b>Gajraj Jain</b>	<b>Jitendra Kumar Mishra</b>
<b>Partner</b>		<b>Chairman Cum Managing Director</b>	<b>Independent Director</b>
<b>M No : 093321</b>		<b>DIN -00049199</b>	<b>DIN - 07983426</b>
<b>Place: New Delhi</b>		<b>Komal</b>	<b>Amar Singh</b>
<b>Dated: 25th May, 2022</b>		<b>Company Secretary</b>	<b>Chief Financial Officer</b>

## Statement of Profit and Loss for the period ended on 31st March, 2022

Amt in Lakhs (₹)

S No	Particulars	Note	2021-22	2020-21
	<b>Income</b>			
I	Revenue from operations	24	72,568.83	22,581.67
II	Other Income	25	20.32	20.86
III	<b>Total Income (I + II)</b>		<b>72,589.15</b>	<b>22,602.53</b>
IV	<b>Expenses:</b>			
	Purchase of Stock-in-Trade	26	68,601.46	19,907.81
	Changes in inventories of Stock-in-Trade	27	(217.83)	561.44
	Employee Benefit Expenses	28	76.19	43.72
	Finance Costs	29	62.65	68.50
	Depreciation	3	20.03	7.25
	Other Expenses	30	1,324.74	1,181.31
	<b>Total Expenses</b>		<b>69,867.24</b>	<b>21,770.03</b>
V	<b>Profit before exceptional items and tax</b>	(III - IV)	<b>2,721.91</b>	<b>832.50</b>
VI	<b>Exceptional Items</b>		-	-
VII	<b>Profit before tax (VII - VIII)</b>		<b>2,721.91</b>	<b>832.50</b>
VIII	<b>Tax expense:</b>			
	(1) Current tax		702.96	234.85
	(2) Tax Adjustment		-	(0.06)
	(3) Deferred tax		(3.45)	26.70
	<b>Total Tax Expenses</b>		<b>699.51</b>	<b>261.49</b>
IX	<b>Profit/(Loss) for the period (XI + XIV)</b>		<b>2,022.40</b>	<b>571.01</b>
X	<b>Other Comprehensive Income</b>			
	A (i) Items that will not be reclassified to profit or loss			
	Re-measurement gains / (losses) on defined benefit plans		(1.27)	1.16
	Tax effect on above		0.32	(0.19)
	<b>Net Other Comprehensive Income not to be reclassified to profit or loss in subsequent periods (A)</b>		<b>(0.95)</b>	<b>0.97</b>
XI	<b>Total Comprehensive Income for the period, net or tax</b>		<b>2,021.45</b>	<b>571.99</b>
XII	<b>Earning per equity share:</b>			
	Basic & Diluted	31	54.69	15.44
<b>Significant Accounting Policies</b>		1 & 2		
<b>The accompanying notes are an integral part of the financial statements</b>				
<p><i>As per our Report of even date.</i></p> <p><b>For Mittal Garg Gupta &amp; Co</b> <span style="float: right;"><b>For and on behalf of the Board of Directors</b></span></p> <p><b>Chartered Accountants</b></p> <p><b>FRN: 016591N</b></p> <div style="display: flex; justify-content: space-between;"> <div> <p><b>CA Sanjay Gupta</b></p> <p><b>Partner</b></p> <p><b>M No : 093321</b></p>   <p><b>Place: New Delhi</b></p> <p><b>Dated: 25th May, 2022</b></p> </div> <div> <p><b>Gajraj Jain</b></p> <p><b>Chairman Cum Managing Director</b></p> <p><b>DIN -00049199</b></p>   <p><b>Komal</b></p> <p><b>Company Secretary</b></p> </div> <div> <p><b>Jitendra Kumar Mishra</b></p> <p><b>Independent Director</b></p> <p><b>DIN - 07983426</b></p>   <p><b>Amar Singh</b></p> <p><b>Chief Financial Officer</b></p> </div> </div>				

## Cash Flow Statement for the year ended 31st Marh, 2022

Amt in Lakhs (₹)

Particulars	For the year Ended 31st March, 2022	For the year Ended 31st March, 2021
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit before tax	2,721.91	832.50
Adjustments for :		
Depreciation	20.03	7.25
Interest Expense	62.65	68.50
Interest Income	(14.43)	(1.10)
Bad Debts	21.10	64.85
Allowance for Expected Credit Losses	34.51	4.64
Profit on Sale of Fixed Assets	(0.70)	(1.25)
Re-measurement gains / (losses) on defined benefit plans	(1.27)	1.16
Tax effect on above	0.32	(0.19)
<b>Operating profit before Working Capital change</b>	<b>2,844.12</b>	<b>976.36</b>
Adjustments for :		
(Increase)/Decrease in Inventories	(217.83)	561.44
(Increase)/Decrease in Trade Receivable	(38.60)	(708.94)
(Increase)/Decrease in Other Current Assets	(1,850.57)	(599.19)
(Increase)/Decrease in Financial Assets	2.52	-
(Increase)/Decrease in Other Non Current Assets	(24.06)	2.15
Increase/(Decrease) in Trade Payable	486.32	(179.26)
Increase/(Decrease) in Other Current Liabilities	27.84	580.16
Increase/(Decrease) in Other Financial Liabilities	194.33	(2.91)
Increase/(Decrease) in Short Term Provision	0.66	1.39
Increase/(Decrease) in Current Tax Liabilities	557.68	145.29
Increase/(Decrease) in Long Term Provision	0.42	(1.61)
Increase/(Decrease) in Financial Assets Loan	(100.00)	-
Increase/(Decrease) in Other Financial Assets	(1,285.60)	-
<b>Cash Generated from Operations</b>	<b>597.23</b>	<b>774.88</b>
Direct Taxes paid	(703.27)	(234.60)
<b>NET CASH FLOWS FROM OPERATING ACTIVITIES</b> [A]	<b>(106.04)</b>	<b>540.28</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets	(199.67)	(11.20)
Sale of Fixed Assets	3.67	1.50
Interest Received	14.43	1.10
<b>NET CASH FLOWS FROM INVESTING ACTIVITIES</b> [B]	<b>(181.57)</b>	<b>(8.60)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds/(Repayment) from Long Term Borrowing	3.03	4.73
Proceeds/(Repayment) from Short Term Borrowings	510.59	(380.47)
Interest Paid	(62.65)	(68.50)
Dividend and dividend distribution tax paid	(36.98)	-
<b>NET CASH FLOWS FROM FINANCING ACTIVITIES</b> [C]	<b>413.99</b>	<b>(444.24)</b>
Exchange difference on translation of foregin currency cash and cash equivalents	-	-
Net increase/(decrease) in cash and cash equivalents [A+B+C]	126.38	87.45
Cash and cash equivalents at the beginning of the year	111.68	24.23
Cash and cash equivalents at the end of the year	<b>238.06</b>	<b>111.68</b>
<b>Detail of cash and cash equivalents as on the end of the year:</b>		
<b>Cash and cash equivalents as on</b>		
On Current Accounts	-	105.29
Unclaimed Dividend Account	0.57	1.63
In Fixed Deposit	230.94	-
Cash-in-Hand	6.56	4.76
	<b>238.07</b>	<b>111.68</b>
As per our Report of even date.		
For Mittal Garg Gupta & Co	For and on behalf of the Board of Directors	
Chartered Accountants		
FRN: 016591N		
CA Sanjay Gupta	Gajraj Jain	Jitendra Kumar Mishra
Partner	Chairman Cum Managing Director	Independent Director
M No : 093321	DIN - 00049199	DIN - 07983426
Place: New Delhi	Komal	Amar Singh
Dated: 25th May, 2022	Company Secretary	Chief Financial Officer



**STATEMENT OF CHANGES IN EQUITY**

Statement of Changes in Equity for the period ended 31.03.2022

**A. Equity Share Capital (Note 14)**

Equity Shares of Rs 10 par value	No of Shares (in Lakhs)	Amount in Lakhs (Rs)
As at 1 April 2020	36.98	369.80
Issue/Reduction, if any during the year	-	-
At 31 March 2021	36.98	369.80
Issue/Reduction, if any during the year	-	-
At 31 March 2022	36.98	369.80

**B. Other Equity (Note 15)**

	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 2020	39.89	941.93	-	(0.46)	981.36
Profit for the year	-	571.01	-	-	571.01
Adjustment to Profit & Loss	-	-	-	-	-
Net Comprehensive Income for the year-	-	-	-	0.97	0.97
Gratuity	-	-	-	-	-
Transfer to retained earnings	-	-	-	-	-
Less: Dividend Paid	-	-	-	-	-
Less: Dividend Distribution Tax	-	-	-	-	-
As at 31 March 2021	39.89	1,512.95	-	0.51	1,553.35
Profit for the year	-	2,022.40	-	-	2,022.40
Adjustment to Profit & Loss	-	-	-	-	-
Net Comprehensive Income for the year -	-	-	-	(0.95)	(0.95)
Gratuity	-	-	-	-	-
Transfer to retained earnings	-	-	-	-	-
Less: Dividend Paid	-	(36.98)	-	-	(36.98)
As at 31 March 2022	39.89	3,498.37	-	(0.44)	3,537.83

**Note:**

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

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

*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 May, 2022

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

**Jitendra Kumar Mishra**  
 Independent Director  
 DIN - 07983426

**Komal**  
 Company Secretary

**Amar Singh**  
 Chief Financial Officer

## Policies and Notes Forming Part of Financial Statement for the year ended 31st March, 2022

### 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 counterparty, 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	8 years
Plant & Machinery	15 years
Office Equipments	5 years
Furniture & Fixtures	10 years
Building	60 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/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.

### Deffered 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 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 items such as agriculture, 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

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**

Amt in Lakhs (₹)

PARTICULARS	Land Freehold	Building	Plant & Equipments	Furniture & Fixtures	Vehicles	Office Equipments	Computers	Total
<b>Gross Block</b>								
As at 01.04.2020	4.73	-	3.48	4.73	102.30	8.43	13.35	137.02
Additions	-	-	-	-	8.72	0.33	2.15	11.20
Assets Held for Disposal	-	-	-	-	-	-	-	-
Deductions	-	-	-	-	3.79	-	-	3.79
<b>As At 31.03.2021</b>	<b>4.73</b>	<b>-</b>	<b>3.48</b>	<b>4.73</b>	<b>107.23</b>	<b>8.76</b>	<b>15.50</b>	<b>144.43</b>
Additions	-	144.10	-	-	50.02	1.70	3.86	199.67
Assets Held for Disposal	-	-	-	-	-	-	-	-
Deductions	-	-	-	-	59.45	-	-	59.45
<b>As At 31.03.2022</b>	<b>4.73</b>	<b>144.10</b>	<b>3.48</b>	<b>4.73</b>	<b>97.79</b>	<b>10.46</b>	<b>19.36</b>	<b>284.65</b>
<b>Depreciation</b>								
Upto 1 April 2020	-	-	2.99	3.81	84.58	6.23	13.16	110.78
For the year	-	-	0.09	0.24	6.07	0.48	0.36	7.25
Assets Held for Disposal	-	-	-	-	-	-	-	-
Deductions	-	-	-	-	3.54	-	-	3.54
<b>As At 31.03.2021</b>	<b>-</b>	<b>-</b>	<b>3.09</b>	<b>4.06</b>	<b>87.12</b>	<b>6.71</b>	<b>13.52</b>	<b>114.50</b>
For the year	-	0.40	0.08	0.18	16.33	0.92	2.12	20.03
Assets Held for Disposal	-	-	-	-	-	-	-	-
Assets Written off	-	-	-	-	-	-	-	-
Deductions	-	-	-	-	56.48	-	-	56.48
<b>As At 31.03.2022</b>	<b>-</b>	<b>0.40</b>	<b>3.16</b>	<b>4.24</b>	<b>46.98</b>	<b>7.63</b>	<b>15.64</b>	<b>78.05</b>
<b>Net Block</b>								
As t 31 March 2021	4.73	-	0.40	0.67	20.10	2.05	1.98	29.94
As at 31 March 2022	4.73	143.69	0.32	0.49	50.82	2.83	3.72	206.60

Note:

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

**Note : 4****Financial Assets**

Amt in Lakhs (₹)

Particulars	As at 31.03.2022	As at 31.03.2021
<b>Others</b>		
Security Deposit	0.75	3.27
<b>Total</b>	<b>0.75</b>	<b>3.27</b>

**Note : 5****Deferred Tax**

Amt in Lakhs (₹)

Particulars	As at 31.03.2022	As at 31.03.2021
<b>Opening balance as of 1st April 2021</b>	<b>14.22</b>	<b>41.11</b>
Tax income /(expenses) during the year recognised in profit or loss	3.45	(26.70)
Tax income /(expenses) during the year recognised in OCI	0.32	(0.19)
<b>Closing Balance as on 31st March 2022</b>	<b>17.99</b>	<b>14.22</b>

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 : 6****Other Non Current Assets**

Amt in Lakhs (₹)

Particulars	As at 31.03.2022	As at 31.03.2021
<b>Advances other than Capital Advances</b>		
Prepaid Expenses	-	0.25
Balances with Govt. Authorities		
4% Additional Duty Receivable	19.33	19.33
Balances with Govt. Authorities	17.47	24.46
LIC Gratuity Fund	4.52	6.00
Advances to Related Parties	32.78	-
<b>Total</b>	<b>74.10</b>	<b>50.04</b>

**Note : 7****Inventories**

Amt in Lakhs (₹)

Particulars	As at 31.03.2022	As at 31.03.2021
Agro Products	-	7.10
Coal	345.45	120.51
<b>Total</b>	<b>345.45</b>	<b>127.61</b>

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 41



**Note : 8****Trade Receivable**

Amt in Lakhs (₹)

Particulars	As at 31.03.2022	As at 31.03.2021
<b>Unsecured</b>		
Considered good	2,154.49	2,155.86
Considered Doubtful	34.02	15.16
Less : Allowance for Expected credit loss	(49.67)	(15.16)
<b>Total</b>	<b>2,138.84</b>	<b>2,155.86</b>

- Trade receivables are measured at amortised cost
- No trade or other receivables are due from directors or other officers of the company either severally or jointly with any other persons.
- Refer Note 37 on Credit Risk of Trade Receivables which explains how the company manages credit quality of Trade Receivables

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

Amt in Lakhs (₹)

Particulars	As at 31.03.2022	As at 31.03.2021
<b>Balances as at begning of the year</b>	15.16	10.51
Allowance for Expected credit loss Recognised	0.00	4.64
Allowance for Expected credit loss Reversed	-	-
<b>Balance as at the end of the year</b>	<b>15.16</b>	<b>15.16</b>

**8.2**

Amt in Lakhs (₹)

Trade Receivables ageing schedule for the year ended on 31.03.2022						
Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	1,427.85	267.09	457.54	2.01	-	2,154.49
(ii) Undisputed Trade Receivables – considered doubtful	-	-	29.26	2.01	-	31.27
(iii) Disputed Trade Receivables considered good	-	-	-	-	2.75	2.75
(iv) Disputed Trade Receivables considered doubtful	-	-	-	-	-	-
<b>Total</b>	<b>1,427.85</b>	<b>267.09</b>	<b>486.80</b>	<b>4.02</b>	<b>2.75</b>	<b>2,188.51</b>
Less: Allowance for Credit Loss (Considered Good)	5.00	2.40	8.01	0.24	-	15.65
Less: Allowance for Credit Loss (Considered Doubtful)	-	-	29.26	2.01	2.75	34.02
<b>Total</b>	<b>5.00</b>	<b>2.40</b>	<b>37.27</b>	<b>2.25</b>	<b>2.75</b>	<b>49.67</b>
<b>Total Trade Receivables</b>	<b>1,422.85</b>	<b>264.68</b>	<b>449.53</b>	<b>1.78</b>	<b>-</b>	<b>2,138.84</b>

Amt in Lakhs (₹)

Trade Receivables ageing schedule for the year ended on 31.03.2021						
Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	1,966.73	42.95	123.43	21.00	1.75	2,155.86
(ii) Undisputed Trade Receivables – considered doubtful	-	-	-	15.16	-	15.16
(iii) Disputed Trade Receivables considered good	-	-	-	-	-	-
(iv) Disputed Trade Receivables considered doubtful	-	-	-	-	-	-
<b>Total</b>	<b>1,966.73</b>	<b>42.95</b>	<b>123.43</b>	<b>36.16</b>	<b>1.75</b>	<b>2,171.02</b>
Less: Allowance for Credit Loss	6.88	0.39	2.16	4.85	0.87	15.16
<b>Total Trade Receivables</b>	<b>1,959.84</b>	<b>42.57</b>	<b>121.27</b>	<b>31.31</b>	<b>0.87</b>	<b>2,155.86</b>

**Note : 9****Cash & Cash Equivalent**

Amt in Lakhs (₹)

Particulars	As at 31.03.2022	As at 31.03.2021
<b>Balances with Banks</b>		
In Current Accounts	-	-
In Cash Credit Limit	-	105.29
Cash Balance ( <i>As certified by Management</i> )	6.56	4.76
In Fixed Deposit (Deposits having original maturity exceeding 3 months but due for realizations within 12 months of the reporting date.)	230.94	
<b>Total</b>	<b>237.50</b>	<b>110.05</b>

**Note : 10****Cash & Cash Equivalent**

Amt in Lakhs (₹)

Particulars	As at 31.03.2022	As at 31.03.2021
<b>Balances with Bank</b>		
Unclaimed Dividend Account	0.57	1.63
<b>Total</b>	<b>0.57</b>	<b>1.63</b>

**Note : 11****Current Loans**

Amt in Lakhs (₹)

Particulars	As at 31.03.2022	As at 31.03.2021
<b>Loans to Others</b>		
<i>Loan Receivable Considered Good - Unsecured</i>		
Interest bearing	100.00	-
<b>Total</b>	<b>100.00</b>	<b>-</b>

**Note : 12****Other Financial Assets**

Amt in Lakhs (₹)

Particulars	As at 31.03.2022	As at 31.03.2021
<b>Others</b>		
Security Deposit	1,285.60	-
<b>Total</b>	<b>1,285.60</b>	<b>-</b>

**Note : 13****Other Current Assets**

Amt in Lakhs (₹)

Particulars	As at 31.03.2022	As at 31.03.2021
<b>Advances other than Capital Advances</b>		
Advance to Suppliers	2,014.06	788.65
Balances with Govt. Authorities	919.16	290.42
Advances to Employees	3.30	3.16
Other Advances - Considered Good*	58.06	62.28
<b>Others</b>		
Interest accrued on time deposit	0.50	-
<b>Total</b>	<b>2,995.08</b>	<b>1,144.51</b>

Note: Rs 62.28 lakhs includes Rs 32.78 lakhs being amount recoverable from Related Party

**Note : 14****Share Capital****Authorized Share Capital****Equity Shares ₹ 10 par value**

Amt in Lakhs (₹)

Particulars	No of Shares	Amount
As at 31st March 2021	50	50
Increase / (Decrease during the year)	-	-
As at 31st March 2022	50	50

**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**

Amt in Lakhs (₹)

Particulars	No of Shares	Amount
As at 31st March 2021	36.98	369.80
Increase / (Decrease during the year)	-	-
As at 31st March 2022	36.98	369.80

**Subscribed and fully paid up****Equity Shares ₹ 10 par value**

Amt in Lakhs (₹)

Particulars	No of Shares	Amount
As at 31st March 2021	36.98	369.80
Increase / (Decrease during the year)	-	-
As at 31st March 2022	36.98	369.80

**The reconciliation of the number of equity shares outstanding**

Amt in Lakhs (₹)

Particulars	As at 31.03.2022	As at 31.03.2021
Shares outstanding at the beginning of the year	36.98	36.98
Add: Shares Issued during the year	-	-
Less: Shares bought back during the year	-	-
Shares outstanding at the end of the year	36.98	36.98

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

Name of Shareholder		As at 31.03.2022	As at 31.03.2021
Vikas Jain	No. of shares	3,31,310	3,45,310
	% held	8.96	9.34
Piyush Jain	No. of shares (in lakhs)	3,45,500	3,50,000
	% held	9.34	9.46
Hemlata Jain	No. of shares (in lakhs)	12,98,100	12,78,111
	% held	35.10	34.56

**Shareholding of Promoters**
**Shares held by Promoters at March 31, 2022**

Promoter Name	No of Shares	% of Total Shares	% change during the year
Hemlata Jain	1,298,100	35.10	1.56
Aditi Jain	81,619	2.21	0
Sheetal Jain	100,000	2.70	0
Vikas Jain	331,310	8.96	-4.07
Piyush Jain	345,500	9.34	-1.27

**Dividend**

The amount of per share dividend recognized as distribution to equity shareholders in accordance with Companies Act 2013 is as follows:

Particulars	As at 31.03.2022	As at 31.03.2021
Final dividend for fiscal 2021	Rs 1	
Final dividend for fiscal 2020		-

The Board of Directors in their meeting on May 25, 2022 recommended a final dividend of ₹ 1.50/- per equity share for the financial year ended March 31, 2022. This payment is subject to the approval of shareholders in the Annual General Meeting (AGM) and if approved would result in a net cash outflow of approximately ₹ 55.47 Lakhs

**Note : 15**
**Other Equity**

Amt in Lakhs (₹)

Particulars	As at 31.03.2022	As at 31.03.2021
<b>General Reserves</b>		
Opening Balance	39.89	39.89
<b>Retained Earnings</b>		
Opening Balance	1,513.46	941.47
Add: Surplus in Statement of Profit & Loss	2,022.40	571.01
Add/(Less)::Gratuity Exp related to OCI adjusted as per Ind AS	(1.27)	1.16
Add/(Less): Deferred Tax impact related to exp of OCI	0.32	(0.19)
<b>Total</b>	<b>3,534.91</b>	<b>1,513.46</b>
Less : Final Dividend Paid	36.98	-
	<b>3,497.93</b>	<b>1,513.46</b>
<b>Other Equity</b>		
General Reserves	39.89	39.89
Retained Earnings	3,497.93	1,513.46
<b>Total Other Reserves</b>	<b>3,537.82</b>	<b>1,553.35</b>

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 : 16**
**Financial Liabilities**
**Non-Current Borrowings**

Amt in Lakhs (₹)

Particulars	As at 31.03.2022	As at 31.03.2021
<b>Long Term maturities of financial obligations</b>		
From Bank (Secured against vehicle financed)	7.76	4.73
<b>Total</b>	<b>7.76</b>	<b>4.73</b>

Also Refer Note 38

**Note : 17****Non- Current Provisions**

Amt in Lakhs (₹)

Particulars	As at 31.03.2022	As at 31.03.2021
<b>Provisions for employee benefits</b>		
Gratuity Obligation	3.36	2.93
<b>Total</b>	<b>3.36</b>	<b>2.93</b>

*Also refer Note 43***Note : 18****Current Borrowings**

Amt in Lakhs (₹)

Particulars	As at 31.03.2022	As at 31.03.2021
<b>Interest bearing borrowings payable on Demand</b>		
From Banks -Secured		
Cash Credit Limits	638.39	-
(secured by hypothecation of inventory, book debts, Fixed Deposits & personal guarantee of directors.)		
<b>Unsecured &amp; Considered Good</b>		
<b>Loans</b>		
From Related Parties	130.18	137.00
From Body corporates	-	150.00
<b>Current maturities of long term borrowings</b> (see note below)*	31.29	2.27
<b>Total</b>	<b>799.86</b>	<b>289.27</b>

*\* Term Loan from HDFC Bank & State Bank of India Secured against hypothecation of cars**This includes loan repayable within one year -HDFC Bank (Vehicle Loan) Rs 713132/- (227241)**This includes loan repayable within one year -SBI (Vehicle Loan) Rs. 2416236/- (Nil)**\*\*The figure of 31.03.2022 does not include the amount of Rs. 1,05,714/-transferred to Investor Education and Protection Fund**Refer Note 40 for bank securities***Note : 19****Trade Payables**

Amt in Lakhs (₹)

Particulars	As at 31.03.2022	As at 31.03.2021
Micro Small and Medium Enterprises (MSME)	-	-
Other than MSME	944.22	457.90
<b>Total</b>	<b>944.22</b>	<b>457.90</b>

*Trade and other payables are measured at Amortised Cost.***19.1 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.

Amt in Lakhs (₹)

Particulars	As at 31.03.2022	As at 31.03.2021
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	-	-

## 19.2

Trade Payable ageing Schedule for the year ended on 31.03.2022					Amt in Lakhs(₹)
Particulars	Outstanding for following periods from due date of payment#				
	Less Than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	-	-	-	-	-
(ii) Others	944.22	-	-	-	944.22
(iii) Disputes dues (MSME)	-	-	-	-	-
(iv) Disputes dues (Others)	-	-	-	-	-

Trade Payable ageing Schedule for the year ended on 31.03.2021					Amt in Lakhs(₹)
Particulars	Outstanding for following periods from due date of payment#				
	Less Than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	-	-	-	-	-
(ii) Others	452.95	4.95	-	-	457.90
(iii) Disputes dues (MSME)	-	-	-	-	-
(iv) Disputes dues (Others)	-	-	-	-	-

## Note : 20

## Other Financial Liabilities

Amt in Lakhs (₹)

Particulars	As at 31.03.2022	As at 31.03.2021
Unclaimed Dividend (see note below)**	0.57	1.63
Security Deposit	195.40	-
<b>Total</b>	<b>195.97</b>	<b>1.63</b>

The figure of 31.03.2022 does not include amount of Rs 105,714/- transferred to Investor Education and Protection Fund during the year.

## Note : 21

## Other Current Liabilities

Amt in Lakhs (₹)

Particulars	As at 31.03.2022	As at 31.03.2021
<b>Advance From Customers</b>	663.12	640.01
<b>Other Payables</b>		
Statutory dues including TDS, TCS & GST	110.88	36.85
Employee-ESI & EPF	0.67	0.76
Expenses Payable	63.48	132.68
<b>Total</b>	<b>838.15</b>	<b>810.30</b>

## Note : 22

## Current Provisions

Amt in Lakhs (₹)

Particulars	As at 31.03.2022	As at 31.03.2021
<b>Provision for employee benefits</b>		
Gratuity Obligation	1.75	1.53
Leave Encashment	0.83	0.39
<b>Total</b>	<b>2.58</b>	<b>1.92</b>

## 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 43)

## Compensated absences

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



**Note : 23****Current Tax Liabilities/(Assets)**

Amt in Lakhs (₹)

Particulars	As at 31.03.2022	As at 31.03.2021
<b>Provision for Tax</b>		
Provision for Tax	702.96	234.85
MAT Adjustment	-	(89.56)
<b>Total</b>	<b>702.96</b>	<b>145.29</b>

(Also refer Note 32)

**Note : 24****Revenue from Operations**

Amt in Lakhs (₹)

Particulars	2021-22	2020-21
<b><u>Sale of Goods</u></b>		
Coal	71,857.60	21,436.69
Agro Products	6.10	95.58
	71,863.70	21,532.27
<b><u>Other Operating Revenue</u></b>	705.13	1,049.40
<b>Total</b>	<b>72,568.83</b>	<b>22,581.67</b>

**Note : 25****Other Income**

Amt in Lakhs (₹)

Particulars	2021-22	2020-21
Interest Income from		
-Bank Deposits	0.50	1.10
-Income Tax Refund	6.60	-
- Other Parties	7.33	-
Misc. Receipts	5.19	18.51
Profit on Sale of Assets	0.70	1.25
<b>Total</b>	<b>20.32</b>	<b>20.86</b>

**Note : 26****Purchase of Stock in Trade**

Amt in Lakhs (₹)

Particulars	2021-22	2020-21
<b><u>Purchase of Traded Goods</u></b>		
<b>Agro Products</b>		
Domestic	-	0.10
<b>Coal</b>		
Domestic	2,459.09	93.22
Imported	66,142.37	19,814.49
<b>Total</b>	<b>68,601.46</b>	<b>19,907.81</b>

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

**Note : 27****Changes in Inventories of Stock in Trade**

Amt in Lakhs (₹)

Particulars	2021-22	2020-21
<u>Inventories at the end of the year</u>		
Coal	345.45	120.52
Agro Products	-	7.10
	<b>345.45</b>	<b>127.61</b>
<u>Inventories at the beginning of the year</u>		
Coal	120.51	5.57
Stock in Transit - Coal	-	566.37
Agro Products	7.10	117.11
	<b>127.61</b>	<b>689.05</b>
<b>Net Increase</b>	<b>(217.83)</b>	<b>561.44</b>

**Note : 28****Employee Benefits**

Amt in Lakhs (₹)

Particulars	2021-22	2020-21
Salaries	63.17	38.40
Contribution to Provident & Other Fund	3.93	2.52
Directors Sitting Fee	2.33	-
Staff Welfare Expenses	4.05	1.94
Group Insurance	1.84	0.18
Expenses Related to Gratuity (Refer Note 43)	0.87	0.68
<b>Total</b>	<b>76.19</b>	<b>43.72</b>

**Note : 29****Financial Cost**

Amt in Lakhs (₹)

Particulars	2021-22	2020-21
<b>Interest Expenses on Short Term Borrowing</b>		
Bank Interest	36.77	43.09
Other Borrowing Cost	25.88	25.41
<b>Total</b>	<b>62.65</b>	<b>68.50</b>

**Note : 30****Other Expenses**

Amt in Lakhs (₹)

Particulars	2021-22	2020-21
Audit Fee ( <i>refer Note below</i> )	2.83	2.75
Bad Debts W/off	21.10	64.85
Computer Expenses	1.09	0.70
Conveyance/Travelling Expenses	9.76	3.66
Freight & Forwarding charges	583.99	863.64
Miscellaneous Expenses ( <i>Refer note below</i> )	23.34	23.52
Genset Expenses	1.18	-
Taxes, Penalty & Interest	26.97	5.34
Listing Fees	3.00	3.00
Office Running & Maintenance Expenses/Renovation Expenses	1.50	1.18
Allowance for Expected Credit Losses	34.51	4.64
Legal & Professional	430.29	4.06
Rent	18.48	42.28
Sale Tax Demand	-	0.60
Selling Expenses	64.28	139.25
Telephone / Internet Expenses	1.62	0.70
Vehicle Running & Maintenance Expenses	4.29	3.11
Contribution for CSR related activities	11.50	-
Quality Claim	85.01	18.00
<b>Total</b>	<b>1,324.74</b>	<b>1,181.31</b>

**Note :**

Amt in Lakhs (₹)

Particulars	2021-22	2020-21
<b>Payment to auditors comprises as under: -</b>		
Audit Fee	2.17	2.15
Tax Audit Fee	0.66	0.60
<b>Total</b>	<b>2.83</b>	<b>2.75</b>

**Miscellaneous Expenses:-**

- Does not include any item of expenditure with a value of more than 1% of Revenue from operations.
- Includes expenses towards Advertisement, Printing & Stationary, Internal Audit Fees, Testing Charges, Electricity & water, Postage & courier and Others etc.

**Note : 31****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**

Amt in Lakhs (₹)

Particulars	2021-22	2020-21
Net profit/(loss) attributable to equity shareholders (after taxes)	2,022.40	571.01
Number of weighted shares outstanding at the end of the reporting period	36.98	36.98
<b>Basic &amp; Diluted Earning Per Share</b>	<b>54.69</b>	<b>15.44</b>

**Note : 32**

Major components of Income Tax Expenses consists of the following

**1 - Income Tax recognised in Statement of Profit & Loss**

Amt in Lakhs (₹)

Particulars	As at 31.03.2022	As at 31.03.2021
Current Tax In respect of the current year	702.96	234.85
Previous year Tax Adjustment	-	(0.06)
Deferred Tax In respect of the current year	(3.45)	26.70
<b>Tax expenses recognised through statement of profit and loss</b>	<b>699.51</b>	<b>261.49</b>

**Recognised in Other Comprehensive Income (OCI)**

Deferred Tax on remeasurements of defined benefit plans (0.32) 0.19

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

Amt in Lakhs (₹)

Particulars	As at 31.03.2022	As at 31.03.2021
Profit before tax as per books	2,721.91	832.50
Income tax calculated	685.05	231.60
Add: Tax Effect on non deductible expense	24.15	6.01
Less : Tax Effect on allowable expense	(6.24)	(2.76)
Total	702.96	234.85
Less : Tax Effect on Brought forward losses	-	-
Less : Tax Effect on Depreciation Setoff	-	-
<b>Income tax calculated as per Income Tax (A)</b>	<b>702.96</b>	<b>234.85</b>
<b>Profit as per MAT</b>	<b>NA</b>	<b>832.50</b>
Income tax calculated as per MAT	-	124.88
Add: Tax Effect on non deductible expense	-	0.70
Less : Tax Effect on allowable expense	-	-
<b>Tax expense as per Statement of Profit &amp; Loss account (B)</b>	<b>-</b>	<b>125.57</b>
<b>Higher of A or B is the tax expense during the year</b>	<b>702.96</b>	<b>234.85</b>

The Company has calculated tax liabilities u/s 115BAA of the Income Tax Act, thus MAT is not applicable.

**Note : 33****Contingent Liabilities (not provided for) in respect of:**

Amt in Lakhs (₹)

Contingent Liabilities	2021-22	2020-21
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	17.75	17.75

The Company does not have any pending litigation for which provisions are required to be disclosed as contingent liabilities.

**Note : 34****Expenditure and Earnings in Foreign Currencies**

Amt in Lakhs (₹)

Particulars	2021-22	2020-21
Expenditure	Nil	Nil
Earnings	Nil	Nil

**Note : 35****Value of Imports on CIF Basis**

Amt in Lakhs (₹)

Particulars	2021-22	2020-21
Trading Goods	Nil	Nil

**Note : 36**

**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**

The Management has identified the following Companies and individuals as related parties of the Company for the year ended 31st March, 2022 for the purposes of reporting as per Ind AS 24 – “Related Party Disclosures”:- both normal and stressed conditions, without incurring unacceptable losses or risking damage to Company's reputation.

**(A) Name of related parties and description of relationship:**

- |                               |     |
|-------------------------------|-----|
| <b>1. Subsidiaries</b>        | Nil |
| <b>2. Fellow Subsidiaries</b> | Nil |
| <b>3. Associates</b>          | Nil |

**4. Key Managerial Personnel & their Relatives**

Mr. Gajraj Jain - CMD  
 Mrs. Hemlata Jain - Woman Director  
 Mr. Vatsal Jain - Relative  
 Mr. Amar Singh - CFO  
 Mis. Komal - Company Secretary  
 Mr. Jitendra Kumar Mishra - Independent Director  
 Mr. Tilak Raj Goyal - Independent Director

**5. Entities of Relative of KMP**

Mr. Akash Jain - Alsan Rubber And Chemicals Pvt. Ltd.  
 Mr. Vikas Jain - South West Pinnacle & Exploration Ltd.  
 Mr. Vikas Jain - Thakurji Towers Pvt. Ltd.

**(B) Transactions with Related Parties during the Financial Year and Outstanding Balances as on 31.03.2022**

Amt in Lakhs (₹)

Nature of Transactions	Key Mgt Personnel		Entities / Relative of KMP	
	2022	2021	2022	2021
<b>Transactions during the year</b>				
Director's sitting fees	2.33	-	-	-
Professional Fees	-	-	6.00	-
Reimbursement of Expenses	-	-	0.22	-
Rent Paid	-	-	9.00	9.00
Interest received	-	-	1.81	-
Interest paid	-	-	2.18	-
Salary to CFO/CS	12.24	9.18	-	-
Loans Received	641.00	455.50	578.77	-
Loans Repaid	648.00	522.75	578.59	-
<b>Outstanding Balances:</b>				
<b>Borrowings</b>	Cr 130	Cr 137	Cr 0.178	-
<b>Advances</b>	-	-	Dr 32.78	Dr 32.78
<b>Rent Payable</b>	-	-	Cr 2.51	Cr 0.81

**Note : 37****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 ( Considered Good)**

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 . The following table provides information about the exposure to credit risk and loss allowance (including expected credit loss provision) for trade receivables:

Amt in Lakhs(₹)

	31.03.2022			31.03.2021		
	Gross carrying amount	Weighed average loss rate	Loss allowances	Gross carrying amount	Weighed average loss rate	Loss allowances
0-180 Days	1,427.85	0.35%	5.00	1,966.73	0.35%	6.88
180-360 Days	267.09	0.90%	2.40	42.95	0.90%	0.39
1-2 years	457.54	1.75%	8.00	123.43	1.75%	2.17
2-3 years	2.01	11.75%	0.24	21.00	23.10%	4.85
More than 3 years	-	50.00%	-	1.75	50.00%	0.87
<b>Considered Good</b>	<b>2,154.49</b>		<b>15.64</b>	<b>2,155.86</b>		<b>15.16</b>

**Note : 38****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 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 overes 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 fiancial loss to the company if a customer or counterparty to a financial instrument fails to meet its contranctual 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 customeres to which the company grants credit terms in the normal course of business. The compay 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

Liquidty 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 liquifity is to ensoure, 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, 2022					Amt in Lakhs(₹)
Particulars	Carrying Amount	Less than 1 year	Less than 1-2 year	More than 2 year	Total
Borrowing	799.86	799.86			799.86
Vehicle Loans	39.05	31.29	7.76	-	39.05
Trade Payables	944.22	944.22	-	-	944.22
Other Current financial Liabilities	195.97	195.97	-	-	195.97

March 31, 2021

Amt in Lakhs(₹)

Particulars	Carrying Amount	Less than 1 year	Less than 1-2 year	More than 2 year	Total
Borrowing	289.27	289.27			289.27
Vehicle Loans	7.00	2.27	2.48	2.24	7.00
Trade Payables	457.90	457.90	-	-	457.90
Other Current financial Liabilities	1.63	1.63	-	-	1.63

### 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.

Amt in Lakhs(₹)

Particulars	Note	As at March 31st, 2022	As at March 31st, 2021
Borrowing including Term Loans	16 & 18	807.62	294.00
Less : Cash and Cash equivalents	9	237.50	110.05
<b>Net Debt</b>		<b>570.12</b>	<b>183.95</b>
Total Equity	14 & 15	3,907.63	1,923.15
Gearing Ratio - %		14.59	9.57

### 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 displays foreign currency risk from financial instruments as at March 31, 2022 and March 31, 2021:

Particulars	Foreign Currency	As at March 31st, 2022	As at March 31st, 2021
Trade Payables	U.S. Dollars	Nil	Nil
Trade Receivables	U.S. Dollars	Nil	Nil
Net Receivable/ (Payables)		-	-

**Note : 39****FINANCIAL INSTRUMENTS**

## Financial Assets

Amt in Lakhs(₹)

Particulars	Note	At Amortised Cost		At Amortised Cost	
		As at March 31,2022		As at March 31,2021	
		Carrying Amount	Fair Value	Carrying Amount	Fair Value
<b>1. Financial assets</b>	<b>A</b>				
a) Trade receivables		2,138.84	2,138.84	2,155.86	2,155.86
b) Cash & Cash Equivalents		237.50	237.50	110.05	110.05
c) Other bank balances		0.57	0.57	1.63	1.63
d) Other Current Assets		2,995.08	2,995.08	1,144.51	1,144.51
e) Other Non Current Assets		74.10	74.10	50.04	50.04
<b>Total</b>		<b>5,446.09</b>	<b>5,446.09</b>	<b>3,462.09</b>	<b>3,462.09</b>

## Financial Liabilities

Amt in Lakhs(₹)

Particulars	Note	At Amortised Cost		At Amortised Cost	
		As at March 31,2022		As at March 31,2021	
		Carrying Amount	Fair Value	Carrying Amount	Fair Value
<b>1. Financial liability</b>					
a) Borrowings (Non-Current)	<b>B</b>	7.76	7.76	4.73	4.73
c) Borrowings		799.86	799.86	289.27	289.27
d) Trade Payables		944.22	944.22	457.90	457.90
e) Other Financial Liabilities (Current)		195.97	195.97	1.64	1.64
f) Other Current Liabilities		838.15	838.15	810.30	810.30
<b>Total</b>		<b>2,785.96</b>	<b>2,785.96</b>	<b>1,563.84</b>	<b>1,563.84</b>

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 : 40****Securities for Borrowings****Short Term Borrowings:**

Particulars	Year	Amount	Security	ROI on Reporting Date
<b>SBI - Cash Credit</b> Sanctioned - Fund Based - 3 Crores  - Non Fund Based - 3 Crores	31.03.2022  31.03.2021	(2,08,52,952)  (1,05,28,811)  -	Hypothecation of Inventories finished goods and hypothecation of all present and future book debts/cheques receivables financed.  Personal Guarantee and immovable property of the Directors	8.45%
<b>HDFC Bank - Cash Credit</b> Sanctioned - Fund Based - 5 Crores  - Non Fund Based - 10 Crores  <i>Limits sanctioned on 24/11/2021- Availed from 01/02/2022</i>	31.03.2022	(1,29,16,517)	Hypothecation of Inventories finished goods and hypothecation of all present and future book debts both present & Future. Equitable Mortgage of properties.  Unconditional & irrevocable Personal Guarantee of the Directors and property holders.  Cash Margin of Bank Guarantee in the form of FDR with HDFC Lien	6 Mths repo rate + 3.3%pa (Rate of interest would be reset on half Yearly basis). Current repo rate is 4%  7.30%  LC commission at 0.50%  BG commission at 0.80%
<b>Axis Bank - Cash Credit</b> Sanctioned - Fund Based - 3 Crores  - Non Fund Based - 10 Crores  <i>Limits sanctioned on 09/12/2021- Availed from 23/03/2022</i>	31.03.2022  31.03.2021	(3,00,69,219)  NIL  -	Hypothecation of Inventories finished goods and hypothecation of all present and future book debts/cheques receivables financed.  Personal Guarantee and immovable property of the Directors	7.75%  0.60% pa agst LC 0.80% pa agst BG
Loans & advances from related parties	31.03.2022 31.03.2021	1,30,00,000 1,37,00,000	Unsecured Loan Unsecured Loan	Int. Free Int. Free
Loans & advances from other parties	31.03.2022 31.03.2021	17,877 1,50,00,000	Unsecured Loan Unsecured Loan	ROI - 10% ROI - 10%

**Note : 41****Corporate Social Responsibility**

As per Section 135 of the Companies Act, 2013, a company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. The areas for CSR activities are eradication of hunger and malnutrition, promoting education, art and culture, healthcare, destitute care and rehabilitation, environment sustainability, disaster relief, COVID-19 relief and rural development projects and animal welfare. A CSR committee has been formed by the company as per the Act. The funds were primarily allocated to a corpus and utilized through the year on these activities which are specified in Schedule VII

S. No	Particulars	Amount
(i)	Amount required to be spent by the company during the year	10.17 Lakhs
(ii)	Amount of expenditure incurred	10.352 Lakhs
(iii)	Shortfall at the end of the year	Nil
(iv)	Total of previous years shortfall	Nil
(v)	Reasons for shortfall	NA
(vi)	Nature of CSR Activities	Amt spent on Promoting Education, Healthcare, Animal welfare, Destitute care & rehabilitation,
(vii)	Details of related party transactions e.g. contribution to the Trust controlled by the company in relation to the CSR expenditure as per relevant Accounting Standard	NA
(viii)	Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year should be shown separately.	NA

**Note : 42**

The following are analytical ratios for the year ended March 31, 2022 and March 31, 2021

S No	Particulars	Numerator	Denominator	31.03.2022	31.03.2021	Variance
1	Current Ratio	Current Assets <sup>1</sup>	Current Liabilities <sup>1</sup>	2.04	2.07	-1.71%
2	Debt Equity Ratio	Total Debt	Shareholder's Equity <sup>3</sup>	0.21	0.15	35.19%
3	Debt Service Coverage Ratio	Earnings available for debt service <sup>4</sup>	Debt Service <sup>5</sup>	0.00	0.00	66.75%
4	Return on Equity Ratio	Net Profits after taxes	Avg Shareholder's Equity <sup>6</sup>	69.37%	34.88%	98.89%
5	Inventory Turnover Ratio	Cost of Goods Sold <sup>7</sup>	Average Inventory	289.11 Times	50.13 Times	476.73%
6	Trade Receivable Turnover Ratio	Sales	Average Trade Receivable	34 Times	12 Times	174.79%
7	Trade Payable Turnover Ratio	Purchase	Average Trade Payables	98 Times	36 Times	169.13%
8	Net Capital Turnover Ratio	Total Sales	Working Capital <sup>8</sup>	20	12	62.78%
9	Net Profit Ratio	Net Profit	Total Sales	2.79%	2.53%	9.97%
10	Return on Capital employed	Earning before interest and taxes	Capital Employed <sup>9</sup>	59.05%	40.64%	45.32%
11	Return on investment	Income generated from Investment	Time weighted average investment	NA	NA	-

**Notes**

1. Current Assets & Current Liabilities as per Balance Sheet
2. Total Debt : Long Term Borrowings including ( Current Maturities of Long Term Borrowings), Short term borrowings and interest accrued on debts
3. Shareholder equity includes equity share capital only
4. Earning available for debt service = Net Profit after taxes + Depreciation + Interest Cost  
*Net profit after tax means reported amount of "Profit / (Loss) for the period" and it does not include items of other comprehensive income.*
5. Debt service = Interest cost + Principal repayments
6. Average shareholders equity is (opening + closing) / 2
7. Cost of goods sold includes purchase of stock in trade and change in inventories of stock in trade
8. Working Capital = Current Assets - Current Liabilities
9. Capital Employed = Tangible Net worth + Total Debt  
where Tangible Net worth = Total Assets - Total Liabilities

Debt Equity Ratio	Increase in Cash Credit Limit in relation to capital has resulted in high debt equity ratio
Debt Service Coverage Ratio	Increase in profitability has resulted improved ratios
Return on Equity Ratio	Increase in profitability has resulted improved ratios
Inventory Turnover Ratio	higher efficiency on working capital improvement has resulted in improvement in the ratio.
Trade Receivable Turnover Ratio	Increase in Turnover has resulted in improved ratio
Trade Payable Turnover Ratio	Increase in Turnover has resulted in improved ratio
Net Capital Turnover Ratio	Higher Turnover and profit improvement has resulted in Improvement in the ratio.
Return on Capital employed	Higher Profit has resulted in higher return in capital employed

**Note : 43****Disclosure pursuant to Employee Benefits****1. 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	31.03.2022	31.03.2021
Present value of obligation	511021	447369
Fair value of plan assets	451903	599646
Net assets / (liability) recognized in balance sheet as provision	(59,118)	1,52,277



## 2. Summary of membership data

	31-03-2022	31-03-2021
Number of employees	15	13
Total Monthly Salary (Lakhs)	2.28	2.17
Average Past Service (Years)	3.78	3.56
Average Age (Years)	35.90	36.86
Average remaining working life (Years)	22.10	21.14
weighted average duration	18.81	18.12

## 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.

	31-03-2022	31-03-2021
i) Discounting Rate	7.18%	6.80%
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.

	31-03-2022	31-03-2021
i) Retirement Age (Years)	58	58
ii) Mortality rates inclusive of provision for disability **	100% of IALM (2006-08)	100% of IALM (2006-08)
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

- a) 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.

- b) 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.

#### 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 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	31-03-2022	31-03-2021
Present value of obligation as at the end of the period	5,11,021	4,47,369

#### 7. Service Cost

	31-03-2022	31-03-2021
Current Service Cost	97,614	74,341
Past Service Cost including curtailment Gains/Losses	--	--
Gains or Losses on Non routine settlements	--	--
Total Service Cost	97,614	74,341

#### 8. Net Interest Cost

	31-03-2022	31-03-2021
Interest Cost on Defined Benefit Obligation	30,421	31,918
Interest Income on Plan Assets	40,776	37,845
Net Interest Cost (Income)	(10,355)	(5,927)

### 9. Change in Benefit Obligation

	31-03-2022	31-03-2021
Present value of obligation as at the beginning of the period	4,47,369	4,61,247
Acquisition adjustment	--	--
Interest Cost	30,421	31,918
Service Cost	97,614	74,341
Past Service Cost including curtailment Gains/Losses	--	--
Benefits Paid	-	-
Total Actuarial (Gain)/Loss on Obligation	(1,82,452)	(1,20,137)
Present value of obligation as at the End of the Period	511021	447369

### 10. Bifurcation of Actuarial Gain/Loss on Obligation

	31-03-2022	31-03-2021
Actuarial (Gain)/Loss on arising from Change in Demographic Assumption	-	--
Actuarial (Gain)/Loss on arising from Change in Financial Assumption	(16,417)	3,622
Actuarial (Gain)/Loss on arising from Experience Adjustment	1,34,486	(1,23,759)

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

	31-03-2022	31-03-2021
Expected Interest Income	40,776	37,845
Actual Income on Plan Asset	32,196	33,647
Actuarial gain /(loss) for the year on Asset	(8,580)	(4,198)

### 12. Balance Sheet and related analysis

	31-03-2022	31-03-2021
Present Value of the obligation at end	5,11,021	447369
Fair value of plan assets	4,51,903	599646
Unfunded Liability/provision in Balance Sheet	(59,118)	1,52,277

### 13. The amounts recognized in the income statement.

	31-03-2022	31-03-2021
Total Service Cost	97,614	74,341
Net Interest Cost	(10,355)	(5,927)
Expense recognized in the Income Statement	87,259	68,414

### 14. Other Comprehensive Income (OCI)

	31-03-2022	31-03-2021
Net cumulative unrecognized actuarial gain/(loss) opening		
Actuarial gain / (loss) for the year on PBO	(1,18,069)	1,20,137
Actuarial gain /(loss) for the year on Asset	(8,580)	(4,198)
Unrecognized actuarial gain/(loss) at the end of the year	(1,26,649)	1,15,939

**15. Change in plan assets**

	31-03-2022	31-03-2021
Fair value of plan assets at the beginning of the period	5,99,646	5,46,890
Actual return on plan assets	38,008	33,647
Employer contribution	2,513	19,109
Benefits paid	(1,82,452)	--
Fair value of plan assets at the end of the period	4,51,903	5,99,646

**16. Major categories of plan assets (as percentage of total plan assets)**

	31-03-2022	31-03-2021
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	--	--
<b>Total</b>	<b>100%</b>	<b>100%</b>

**17. Change in Net Defined Benefit Obligation**

	31-03-2022	31-03-2021
Net defined benefit liability at the start of the period	(1,52,277)	(85,643)
Acquisition adjustment	--	--
Total Service Cost	97,614	74,341
Net Interest cost (Income)	(10,355)	(5,927)
Re-measurements	1,26,649	(1,15,939)
Contribution paid to the Fund	(2,513)	(19,109)
Benefit paid directly by the enterprise	-	-
Net defined benefit liability at the end of the period	59,118	(1,52,277)

**18. Bifurcation of PBO at the end of year in current and non current.**

	31-03-2022	31-03-2021
Current liability (Amount due within one year)	1,75,253	1,53,903
Non-Current liability (Amount due over one year)	3,35,768	2,93,466
<b>Total PBO at the end of year</b>	<b>5,11,021</b>	<b>4,47,369</b>

**19. Expected contribution for the next Annual reporting period.**

	31-03-2022	31-03-2021
Service Cost	1,12,310	1,15,793
Net Interest Cost	4,245	(10,355)
Expected Expense for the next annual reporting period	1,16,555	1,05,438

**20. Sensitivity Analysis of the defined benefit obligation.**

<b>a) Impact of the change in discount rate</b>	
Present Value of Obligation at the end of the period	<b>511021</b>
Impact due to increase of 0.50%	(20,518)
Impact due to decrease of 0.50 %	22,400

<b>b) Impact of the change in salary increase</b>	
Present Value of Obligation at the end of the period	<b>511021</b>
Impact due to increase of 0.50%	22,548
Impact due to decrease of 0.50 %	(20,831)

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**

<b>Year</b>	<b>Amount</b>
0 to 1 Year	175253
1 to 2 Year	3480
2 to 3 Year	3641
3 to 4 Year	4427
4 to 5 Year	4608
5 to 6 Year	4687
6 Year onwards	314925

**Note : 44****Segment Reporting**

The Company is predominantly engaged in commodities trading of Agro Products and Coal, which has been identified as main business segment.

S No.	Particulars	Commodities		Other unallocable		Total	
		2021-22	2020-21	2021-22	2020-21	2021-22	2020-21
1	<b>Revenue</b>						
	Intersegment Sale	72,568.83	22,581.67	-	-	72,568.83	22,581.67
	Other Income	20.32	20.86	-	-	20.32	20.86
	Total Net Sale/Income from operations	72,589.15	22,602.53	-	-	72,589.15	22,602.53
2	<b>Results</b>						
	Segment Results	2,784.56	901.00	-	-	2,784.56	901.00
	Operating Profit/(Loss)				-	2,784.56	901.00
	Interest Exp.					62.65	68.50
	<b>Profit/(Loss) Before Tax</b>					2721.91	832.50
	<b>Exceptional Items</b>					-	-
	Tax Expenses					699.51	261.49
	<b>Profit/(Loss) After Tax</b>					2022.40	571.01
3	<b>Other Information</b>						
	Segment Assets	7,402.48	3,637.13	-	-	7,402.48	3,637.13
	Segment Liabilities	3,494.85	1,713.98	-	-	3,494.85	1,713.98
4	<b>Other</b>						
	Capital Expenditure	-	-	-	-	-	-
	Depreciation	-	-	20.03	7.25	20.03	7.25
	Non cash expenses other than	-	-	-	-	-	-

**Note : 45**

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  
Chairman Cum Managing Director  
DIN -00049199

Jitendra Kumar Mishra  
Independent Director  
DIN - 07983426

Place: New Delhi  
Dated: 25th May, 2022

Komal  
Company Secretary

Amar Singh  
Chief Financial Officer



## CHANDRA PRABHU INTERNATIONAL LIMITED



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BRANCHES : BOKARO | CHANDASI | GUWAHATI | KOLKATA | GANDHIDHAM