

RELIANCE
CHEMOTEX INDUSTRIES LIMITED



FORTY THIRD ANNUAL REPORT
2020-2021



S.L. SHROFF - Chairman Emeritus

BOARD OF DIRECTORS

RAMADOSS SRINIVASAN - Chairman, Independent Director

SANJIV SHROFF - Managing Director

RAHUL SHROFF - Executive Director

AMEYA SHROFF - Executive Director

N.G. KHAITAN - Non- Executive Director

DIPIKA SHROFF - Non- Executive Director

NARAYAN SHROFF - Independent Director

R.N. SHARMA - Independent Director

CHIEF FINANCIAL OFFICER

CHANDRASEKARAN RAJAGOPALAN

COMPANY SECRETARY

CHIRAG GUPTA

BANKERS

RIICO LTD

EXIM BANK LTD

STATE BANK OF INDIA

IDBI BANK LTD

ICICI BANK LTD

SOLICITORS

KHAITAN & CO., LLP, KOLKATA

AUDITORS

JAIN PRAMOD JAIN & CO.

Chartered Accountants

New Delhi

SECRETARIAL AUDITORS

V.M. & ASSOCIATES

Company Secretaries

Jaipur (Raj.)

REGISTRAR & SHARE TRANSFER AGENT

BIGSHARE SERVICES PVT. LTD., MUMBAI

REGISTERED OFFICE & WORKS

VILLAGE KANPUR, UDAIPUR -313 003 (RAJ.)

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DIRECTORS' REPORT

Dear Members of RCIL,

We are glad to present the 43rd Annual Report on the business and operations of the Company along with the Audited Financial Statements for the financial year ended on March 31, 2021.

FINANCIAL SUMMARY AND HIGHLIGHTS

The Company's Financial Summary and Highlights are summarized below:

(Rs. in Lakh)				
Particular	FINANCIAL YEAR 2020-21		FINANCIAL YEAR 2019-20	
Revenue from Operations(including other income)		26,011.75		30,085.02
Earning Before Depreciation, Interest and Tax (EBIDTA)		2760.90		2,944.08
Less: Depreciation	759.87		733.83	
Less: Finance Cost	964.80	1724.67	1,132.88	1,866.71
Profit Before Tax		1036.23		1,077.37
Tax Expenses		343.10		144.26
Profit After Tax		693.13		933.11
Other Comprehensive Income		8.57		12.74
PAT after Other Comprehensive Income		701.70		945.85
Earning Per Share (Basic & Diluted)		9.19		14.68

STATE OF THE COMPANY'S AFFAIR

The Company produced 14043.47 M.T. of Yarn during the period under review as against 14475.84 M.T. of Yarn produce during the last year. During the year, the Company had export of Rs. 14324.65 Lakh against export of Rs. 17115.45 during the previous year. The export constituted 57.57 % of the total turnover of the Company. Your Company's Profit Before Tax (PBT) during 2020-21 has been Rs. 1036.23 Lakh as against 1077.37 Lakh during the year 2019-20 decreased by 3.82%. The EPS for the year 2020-21 works out to Rs. 9.19 as against Rs. 14.68 for the year 2019-20. However, during the financial year decrease in Profit After Tax (PAT) is due to deferred tax liability.

CHANGES IN THE NATURE OF BUSINESS

There is no change in the nature of the business of the company.

DIVIDEND ON EQUITY SHARES

Your Directors are pleased to recommend a dividend of 20% (i.e.

Rs. 2.00/- per Share) on Equity Shares of Rs. 10/- each. If the dividend, as recommended above, is approved by the Members at the Annual General Meeting, the total outflow towards dividend including tax deducted at source (TDS) on Equity Shares for the year will be Rs. 150.87 Lakh.

TRANSFER TO RESERVE

The Board of Directors does not propose to transfer any sum to the General Reserve for the financial year ended on March 31, 2021.

SHARE CAPITAL

During the period under review, there has been no change in the Share Capital of the Company.

DETAILS OF SUBSIDIARY/ JOINT VENTURES / ASSOCIATE COMPANIES / AND ITS PERFORMANCE

During the year, the Company has no Subsidiaries/ Associate Companies/ Joint Venture.

MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY

In compliance with Section 134(3)(l) of the Act, no material changes and commitments have occurred after the closure of the financial year to which the financial statements relate till the date of this report, affecting the financial position of the company.

IMPACT OF COVID 19 PANDEMIC

The COVID 19 pandemic has rapidly spread throughout the world. The operations of the Company was also impacted during the year 2020-21 due to national lockdown imposed by the Government of India till April 19, 2020. The Company also resumed the operation in the phased manner as per directives from the Government of Rajasthan. The company is however of the view that there is no significant impact on its financial statement as at March 31, 2021. However, considering the second wave of COVID 19, the impact assessment of COVID 19 will be a continuing process due to its uncertainties associated with its nature and duration. Therefore considering these factors the impact may be different from the estimated as at the date of approval of these financial statements. The company will continue to monitor any material change to the future economic condition also.

SIGNIFICANT MATERIAL ORDER PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE

There were no significant and material orders passed by the regulators, courts or tribunals which would impact the going concern status of the company and also the Company's future operations.

LOANS, GUARANTEES & INVESTMENTS BY THE COMPANY

The Company has not given any loan, nor furnished any



guarantees nor made any investments covered under the provisions of Section 186 of the Companies Act 2013.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

In line with the requirements of the Companies Act, 2013 ("Act") and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), your Company has formulated a Policy on Related Party Transactions which is available on the Company's website at <https://www.reliancechemotex.com/reports/code-of-conduct-and-policies/> Policy intends to ensure that proper reporting, approval and disclosure processes are in place for all transactions between the Company and Related Parties.

All Related Party Transactions are placed before the Audit Committee for review and approval. Prior omnibus approval is obtained for Related Party Transactions which are of repetitive nature and/or entered in the Ordinary Course of Business and are at Arm's Length.

All Related Party Transactions entered during the year were in Ordinary Course of the Business and at Arm's Length. No Material Related Party Transactions, i.e. transactions exceeding 10% of the annual consolidated turnover as per the last audited financial statements, were entered during the year by the Company. The 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 Act as given in AOC-2 are provided in **Annexure-3**.

MEETINGS OF BOARD

The Board of Directors met four times during the year on June 26, 2020, August 26, 2020, November 09, 2020 and February 10, 2021. Frequency and quorum at these meetings and the intervening gap between any two meetings were in conformity with the provisions of the Act, the Listing Regulations and Secretarial Standards issued by The Institute of Company Secretaries of India ("Secretarial Standards"). For further details, please refer report on Corporate Governance annexed to this report.

COMMITTEES OF THE BOARD OF DIRECTORS

As on March 31, 2021, the Board of Directors has following committees:

1. Audit Committee
2. Nomination & Remuneration Committee
3. Stakeholders Relationship Committee
4. CSR Committee
5. Finance Committee

The details of committees along with their composition, number of meetings and attendance at the meetings and other details are provided in the Corporate Governance Report annexed to the report.

CHANGE IN THE DIRECTORS AND KEY MANAGERIAL PERSONNEL

(A) Directors

- In accordance with the provisions of the Act and Articles of Association of the Company, Mr. N. G. Khaitan (DIN: 00020588), Non-Executive, Non-Independent Director of the Company was liable to retire by rotation at the 42nd Annual General Meeting (**AGM**) and was appointed therein.
- In accordance with the provision of the Act and the Article of Association of the Company, Mr. Rahul Shroff (DIN: 02301693) and Mr. Ameya Shroff (DIN: 05315616) whole time director(s) designated as the Executive Directors of the company are liable to retire by rotation at the ensuing Annual General Meeting and being eligible offers them self for re-appointment.
- Mr. Sanjiv Shroff (DIN: 00296008) was re-appointed as Managing Director for a period of three years w.e.f. September 01, 2020 to August 31, 2023 at the 42nd AGM of the Company.
- Mr. Rahul Shroff (DIN: 02301693) was re-appointed as Whole-time Director designated as Executive Director of the Company for a period of three years w.e.f. September 26, 2021 to September 25, 2024 through Postal Ballot dated February 10, 2021.
- Mr. Kishori Lal Sonthalia, Independent Director, who was also the chairperson of Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee and Corporate Social Responsibility Committee ceased to be director of the company due to his sad demise on November 21, 2020.
- Mr. Ram Niwas Sharma was re-designated as Independent Director of the Company with effect from February 10, 2021 for the period of 5 (Five) years with the approval of the Shareholders via Postal Ballot dated February 10, 2021.

(B) Key Managerial Personnel

During the financial year, Mr. Vimal Tank, Company Secretary & Compliance Officer resigned w.e.f. April 30, 2020 and Mr. Chirag Gupta joined as Company Secretary of the Company w.e.f. June 26, 2020.

DECLARATION BY INDEPENDENT DIRECTORS

Pursuant to the Section 149 of the Act and Regulation 16 of the Listing Regulation, all independent Directors of the Company have given declaration that they meet the criteria of Independence and also registered with IICA database for independent directors. Also



the Exemption certificate has been received from all the independent directors for non-appearing of Exam conducted by IICA. The Independent Directors have also confirmed that they have complied with the Company's code of conduct. In the opinion of the Board of Directors, the independent directors fulfill the conditions specified in the Act and the Listing Regulations and are independent of the management.

Further, a familiarization program has been conducted for Independent Directors and the details are uploaded on the company website

<https://www.reliancechemotex.com/reports/grievance-management/>.

FORMAL ANNUAL EVALUATION

Pursuant to the provisions of the Act and The Listing Regulations, Performance Evaluation is becoming increasingly important for the Board and Directors and has benefits for the Directors as an individual, Board as a whole and companies for whom they are working.

The Securities and Exchange Board of India has issued a Guidance Note on Board Evaluation and pursuant to the provision of the Act, the Board of Directors has carried out an annual performance evaluation of its own performance, Board Committees and individual director. The Performance evaluation was based on the criteria such as composition, understandability of their roles, value addition, independence, experience, expertise, etc.

AUDITORS AND AUDIT REPORTS

I. Statutory Auditors and Audit Report

M/s. Jain Pramod Jain & Co, Chartered Accountants (Firm Registration No.016746N), New Delhi were appointed as the Statutory Auditors of the Company to hold office for a term of five consecutive years from the conclusion of the 39th AGM of the Company held on September 28, 2017, till the conclusion of the 44th AGM to be held in the calendar year 2022. The requirement for the annual ratification of auditors' appointment at the AGM has been omitted pursuant to Companies (Amendment) Act, 2017 notified on May 7, 2018 and therefore, the Board has not proposed the ratification of appointment of the said auditor at the ensuing AGM of the Company. There is no reservation, qualification or adverse remark contained in the Auditors Report attached to the Financial Statement of Company as on March 31, 2021. The information refereed in the Auditors Report for the financial year 2020-2021 is self-explanatory and do not call for any further comments.

As per Section 143(12) of the Act, during the year no fraud was reported by the Auditor of the Company in their Audit Report.

II. Cost Auditors and Cost Audit Report

In terms of the provisions of Section 148 of the Companies Act,

2013, read with Companies (Cost Records and Audit) Rules, 2014, the Board of Directors of your Company have on the recommendation of the Audit Committee, appointed M/s. N N & Associates, Cost Accountants (Firm Registration No.002322), New Delhi as the Cost Auditors, to conduct the Cost Audit of your Company for the financial year 2021-22. The Company has recommended their remuneration to Shareholders for their ratification at the ensuing Annual General Meeting.

Your Company has maintained cost audit records pursuant to section 148 of the Companies Act, 2013 read with Companies (Cost Records and Audit) Rules, 2014, in respect of manufacturing activities are required. The Cost Audit Report for the financial year 2019-20 was filed with Ministry of Corporate Affairs on September 03, 2020. The Report does not contain any qualification, reservation or advance remark.

During the financial year 2019-20 no fraud was reported by the Cost Auditor of the Company in their Audit Report.

III. Secretarial Auditors and Secretarial Audit Report

M/s. V. M. & Associates, Company Secretaries (Firm Registration No. P1984RJ039200), Jaipur were appointed as Secretarial Auditors of the Company for conducting the Secretarial Audit for the financial year 2020-21. The Secretarial Audit Report for the financial year 2020-21, in form MR-3, does not contain any qualification, reservation or adverse remark and is annexed to this report as **Annexure-2**.

Further, the Board of Directors has approved the re-appointment of M/s. V. M. & Associates, Company Secretaries (Firm Registration No. P1984RJ039200), Jaipur as Secretarial Auditors at their meeting held on June 21, 2021 for conducting the Secretarial Audit of the Company for the financial year 2021-22.

During the financial year 2020-21 no fraud was reported by the Secretarial Auditor of the Company in their Audit Report.

IV. Internal Auditors and Internal Audit Report

M/s. Rajeev Amitabh & Co, Chartered Accountants (Firm Registration No.009942N), New Delhi were appointed as Internal Auditors of the Company for conducting Internal Audit for the financial year 2020-21. The Internal Audit Reports were received by the Company and the same were reviewed by the Audit Committee and Board of Directors of the company.

Further, the Board of Directors has approved the re-appointment of M/s. Rajeev Amitabh & Co, Chartered Accountants (Firm Registration No.-009942N), New Delhi as Internal Auditors at their meeting held on June 21, 2021 for conducting the Internal Audit of the Company for the financial year 2021-22.

During the financial year 2020-21 no fraud was reported by the Internal Auditor of the Company in their Audit Report.



VIGIL MECHANISM /WHISTLE BLOWER POLICY

Your Company is committed to highest standards of ethical, moral and legal business conduct. Accordingly, the Board of Directors has formulated a Whistle Blower Policy which is in compliance with the provisions of Section 177(9) of the Act and Regulation 22 of Listing Regulations. The policy provides a framework and process whereby concerns can be raised by its employees against any kind of discrimination, harassment, victimization or any other unfair practice being adopted against them, and can also report directly to the Chairman of Audit Committee. The policy focuses on promoting ethical behavior in all its business activities and encourages employees to report concerns and unethical behavior, actual or suspected fraud or violation of the company's code of conduct and ethics. Under the said mechanism, employees are free to report violations of applicable laws and regulations and the Code of Conduct. It also provides for adequate safeguards against the victimization of persons who use this mechanism. The Vigil Mechanism/Whistle Blower Policy has been posted on the Company's website at <https://www.reliancechemotex.com/reports/code-of-conduct-and-policies/>. The functioning of the Vigil Mechanism is reviewed by the Audit Committee from time to time. The Company affirms that no director/employee has been denied access to the Chairman of the Audit Committee and that no complaint was received during the year.

CORPORATE SOCIAL RESPONSIBILITY

In terms of requirements of Section 135 of the Act and rules issued thereunder, the Board of Directors of the company has constituted a Corporate Social Responsibility Committee ("**CSR Committee**") comprising of Mr. K.L. Sonthalia, Mr. R.N. Sharma and Mr. Rahul Shroff. Mr. K.L. Sonthalia, Chairman of the CSR Committee passed away on November 21, 2020. Due to his sad demise the CSR Committee was reconstituted in the Board Meeting held on February 10, 2021. Consequently Mr. R. N. Sharma was appointed as the chairperson and Mr. Ramadoss Srinivasan was inducted as the member to the CSR Committee in the Board Meeting held on February 10, 2021.

This committee is responsible for formulating, implementing and monitoring the CSR Policy of the company. The policy on CSR can be accessed on the Company's website at <https://www.reliancechemotex.com/reports/code-of-conduct-and-policies/>.

During the year under review, the company has spent Rs 20,24,288/- towards CSR activities, which includes unspent amount of Rs.7,13,102 for the F.Y. 2019-20. The detailed report on CSR Activities as required under the Act is set out in the **Annexure -4**.

RISK MANAGEMENT POLICY

The Audit Committee closely monitors all risks that could have a negative impact on the Company. Our Risk Management framework encompasses practices related to the identification, analysis, evaluation, treatment, mitigation and monitoring of the strategic, operational, legal and compliance risks to achieving our key business objectives. Risks which were reviewed by the Audit Committee are Financial Risk, Compliance Risk, Hazardous Risk, and Employee Related Risk, Liquidity Risk, Commodity Risk and Market risk. The focus of Committee is to assess risks and deploy mitigation measures. In accordance with Listing Regulation the Board members were informed of risk assessment and minimization procedures after which the Board formally adopted steps for framing, implementing and monitoring the risk management plan for the Company. In order to achieve the key objectives, the policy establishes a structured and disciplined approach to Risk Management, in order to guide decisions on risk-related issues.

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

The Company has always believed in providing a safe and harassment-free workplace for every individual through various interventions and practices. The Company always endeavors to create and provide an environment that is free from discrimination and harassment, including sexual harassment.

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. The Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy. Following are the details of sexual harassment cases for the financial year 2020-21.

Sr. No.	No. of complaints received during the financial year	No. of complaints disposed off during the Year	No. of Complaints pending as at the end of the financial year
1	NIL	NIL	NIL

ANNUAL RETURN

Pursuant to Section 92(3) read with Section 134(3)(a) of the Act, the Annual Return as on March 31, 2021 is available on the Company's website

<https://www.reliancechemotex.com/reports/financial-reports/>



FIXED DEPOSITS:

During the Financial Year 2020-21, your Company has not invited, accepted or renewed any deposits within the meaning of Section 73, 74 and 76 of the Act read together with the Companies (Acceptance of Deposit) Rules, 2014 as amended. The Borrowing taken from the Directors is stated in the financial statement note no.18.

INTERNAL FINANCIAL CONTROL SYSTEM

For detailed discussion with reference to adequacy of internal financial controls, please refer to Management Discussion and Analysis Report annexed to this report as **Annexure-7**.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUTGO:

Your Company continuously strives to conserve energy, adopt environment friendly practices and employ technology for more efficient operations.

The statement pursuant to Section 134 (3)(m) of the Act read with the Rule 8(3) of The Companies (Accounts) Rules, 2014 regarding particulars relating to conservation of energy, technology absorption, foreign exchange earnings and outgo, as required to be disclosed under the Act is provided in **Annexure 1**.

NOMINATION & REMUNERATION POLICY

The Board of Directors has framed the policy on Nomination & Remuneration which lays down the framework in relation to the selection, appointment and remuneration of Directors, Key Managerial Person and Senior Management of the Company. The Nomination & Remuneration Policy has been posted on the Company's website <https://www.reliancechemotex.com/reports/code-of-conduct-and-policies/> and the salient features of the policy form a part of the Annual report.

PARTICULARS OF EMPLOYEES & THEIR DISCLOSURES:

Disclosures relating to remuneration of Directors u/s 197(12) of the Act, read with Rule 5(1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed as **Annexure 5** to this Report.

The information as required to be provided in terms of Section 197 (12) of the Act read with Rule 5(2) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed as **Annexure 6** to this Report.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Pursuant to Regulation 34 of the Listing Regulations the operations of the company are reviewed in detail in the

Management Discussion and Analysis Report which is annexed to this report as **Annexure -7**.

REPORT ON CORPORATE GOVERNANCE

Your Company is compliant with the norms on Corporate Governance as provided in the Listing Regulations. Report on Corporate Governance for financial year 2020-21 is annexed to this report as **Annexure -8**.

DISCLOSURE OF ACCOUNTING TREATMENT IN PREPARATION OF FINANCIAL STATEMENTS

The financial statements are prepared in accordance with Indian Accounting Standards (Ind AS). The IND AS are prescribed under section 133 of the Act, read with rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016. Accounting Policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

SECRETARIAL STANDARDS

Pursuant to the provisions of Section 118 of the Companies Act, 2013, the Company has complied with the applicable provisions of the Secretarial Standards issued by the Institute of Companies Secretaries of India and notified by Ministry of Corporate Affairs.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement of Section 134(3) of the Act, with respect to Directors' Responsibility Statement, the Board of Directors hereby state and confirm that:

- (i) in the preparation of the annual accounts for the year ended March 31, 2021 the applicable accounting standards and schedule III of the Companies Act, 2013 have been followed and there are no material departures from this;
- (ii) Appropriate accounting policies have been selected and these have been applied consistently and that the judgments and estimates that have been made are reasonable and prudent so as to provide a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for that period;
- (iii) Proper and sufficient care has been taken in the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 to safeguard the assets of the Company and to prevent or detect fraud and other irregularities;
- (iv) The annual accounts for the year ended March 31, 2021 have been prepared on a going concern basis;



- (v) Robust and detailed Internal Financial Controls to be followed by the Company have been laid; and
- (vi) An appropriate system has been devised to ensure that your Company is compliant with all applicable provisions and statutory requirements. These systems were adequate and operating effectively.

CAUTIONARY STATEMENT

Certain statements in this Board's Report and Management Discussion and Analysis describing the Company's objectives, projections, estimates and expectations maybe "forward-looking statements," within the meaning of applicable laws and regulations. Forward-looking statements are identified in this report by using words like "anticipates", "believes", "expects", "intends" and other similar expressions in such statements. Although we believe our expectations are based on reasonable assumptions, these forward-looking statements may be influenced by numerous risks and uncertainties that could cause actual outcomes and results to be materially different from those expressed or implied. Some of these risks and uncertainties have

been discussed in the section on "Risk Management". The company takes no responsibility for any consequence of decisions made, based on such statements, and holds no obligation to update these in the future. Market data and information has been gathered from various published and unpublished reports. Their accuracy, reliability and completeness cannot be assured.

APPRECIATION & ACKNOWLEDGMENT

The Directors thank the Company's employees, customers, vendors, investors and academic partners for their continuous support. The Directors also thank the Government of India, Governments of various states in India, Governments of various countries and concerned Government departments and agencies for their co-operation. The Directors appreciate and value the contribution made by every member of the RCIL family.

FOR AND ON BEHALF OF BOARD OF DIRECTORS
FOR RELIANCE CHEMOTEX INDUSTRIES LIMITED

Place: Mumbai
Date: June 21, 2021

(Sanjiv Shroff)	(Rahul Shroff)
Managing Director	Whole-Time Director
DIN: 00296008	DIN: 02301693



Annexure- 1

Form for disclosure of particulars with respect to conservation of energy 2020-21

A. CONSERVATION OF ENERGY

i. Steps taken for conservation of energy

In line with the Company's commitment towards conservation of energy, the company continues with its efforts aimed at improving energy efficiency through innovative measures to reduce wastage and optimize consumption. Some of the measures taken by the company in this direction are as under:

- Installation Automatic Power Factor Controller panels – 4 Nos.
- Installation of Inverter Drive for new WCS System – Unit 1B and Unit 2
- Installation of Inverter drives for H Plant waste collection bags
- Installation of EMS system in Unit 1B Section
- Replacement of old pistons of Hydro extractor in Dyehouse
- Compressed air leakage arrest of Spinning and post spinning machines

These measures have also led to reduced impact on environment, reduced maintenance time and cost, and improved productivity.

ii. The steps taken by the company for utilizing alternate sources of energy

- In Boiler, "Biomass" is being used instead of Petcoke / Coal.
- Installation of 1.1MW Roof top Solar systems.

iii. Total investment on energy conservation equipments

Rs. 17,43,048

B. TECHNOLOGY ABSORPTION

RESEARCH & DEVELOPMENT (R & D)

(i) Efforts made towards technology absorption

Developed multifold knotless yarn for heavy duty application and continuous efforts are going on for industrial sector for PPS Yarn, Meta aramid Yarn. Also introduced low melt and low pill yarns for specific uses and developed Poly/Linen, Viscose, & Cationic Dyeable Product, slub yarn and space dyed yarn.

(ii) Benefit derived as a result of the above R&D

New business in Home Textiles and high end fabric category as well as Customer base is widened.

(iii) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year):

- the details of technology imported:** The Company has not imported any technology during the last three financial years.
- the year of import:** Not applicable
- whether the technology has been fully absorbed:** Not applicable
- if not fully absorbed, areas where absorption has not taken place, and the reason thereof:** Not applicable.

(iv) Expenditure on R&D

Capital : NIL

Recurring : R & D expenses cannot be segregated.

(v) We have done expansion and modernization of our production line i.e. B Section by replacing 4800 old spindles with latest technology machines from Blow room to ring frame and autoconer.

The expansion and modernization of another production line i.e. A Section is underway and commissioning of latest technology machines is being carried out.

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

(Rs. in Lakh)

(i) Foreign Exchange Earnings	:	13735.91
(ii) Foreign Exchange outgo	:	962.90

Annexure- 2

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2021

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,

**The Members,
Reliance Chemotex Industries Ltd.
Village Kanpur
Udaipur – 313 003 (Rajasthan)**

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Reliance Chemotex Industries 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 Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, the explanations and clarifications given to us and the representations made by the Management and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India warranted due to the spread of the COVID-19 pandemic, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2021 ('Audit Period') complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:



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

- (i) The Companies Act, 2013 ('the Act') and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (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 to the Company during the Audit Period**);
 - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014(**Not applicable to the Company during the Audit Period**);
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008(**Not applicable to the Company during the Audit Period**);
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009(**Not applicable to the Company during the Audit Period**);
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 (**Not applicable to the Company during the Audit Period**);and
 - (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
- (vi) As confirmed by the management, there are no sector specific laws that are applicable specifically to the company.

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

- i. Secretarial Standards issued by The Institute of Company Secretaries of India;
- ii. The Listing Agreement entered into by the Company with BSE Limited.

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

We further report that

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

Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance. Further, independent director(s) were present at Board Meetings which were called at shorter notice to transact business which were considered urgent by the management in compliance of Section 173(3) of the Act. 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.

Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes.

We further report that 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.

We further report that during the audit period the Company has not undertaken any events/actions having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines standards etc.

Place: Jaipur
Date: June 21, 2021
UDIN: F009985C000490951

For V.M. & Associates
Company Secretaries
(ICSI Unique Code P1984RJ039200)
PR 581/2019

CS Vikas Mehta
Partner
Membership No.: FCS 9985
C P No.: 12789

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



Annexure- A

To,
The Members
Reliance Chemotex Industries Ltd.
Village Kanpur,
Udaipur - 313003 (Rajasthan).

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. 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 procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

Place: Jaipur
Date: June 21, 2021
UDIN: F009985C000490951

For V.M. & Associates
Company Secretaries
(ICSI Unique Code P1984RJ039200)
PR 581/2019

CS Vikas Mehta
Partner
Membership No.: FCS 9985
C P No.: 12789

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

1. Details of contracts or arrangements or transactions not at arm's length basis: NIL

- (a) Name(s) of the related party and nature of relationship: NA
- (b) Nature of contracts/arrangements/transactions: NA
- (c) Duration of the contracts/arrangements/transactions: NA
- (d) Salient terms of the contracts or arrangements or transactions including the value, if any: NA
- (e) Justification for entering into such contracts or arrangements or transactions: NA
- (f) Date(s) of approval by the Board: NA
- (g) Amount paid as advances, if any: NA
- (h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188: N.A

2. Details of material contracts or arrangement or transactions at arm's length basis

Name(s) of Related Party and nature of relationship	Nature of Contracts/ arrangements/ Transaction	Duration of Contract/ arrangements/ Agreement	Salient terms of the Contract or arrangements or transactions including the value, if any	Date(s) of Approval by the Shareholders if any	Amount Paid as Advance, if any
A S Chemotex Private Limited	Lease, leave and License Agreement	8 Year	Rent of Rs. 157500/ P.M with Security Deposit of Rs. 10.00 Lakh	29.09.2014	-
AR Commercial Pvt Ltd	Lease, leave and License Agreement	8 Year	Rent of Rs. 150000/ P.M with Security Deposit of Rs. 1.00 Cr.	29.09.2014	-
Indo textile & fibres Ltd	Lease, leave and License Agreement	8 Year	Rent of Rs. 150000/ P.M with Security Deposit of Rs. 1.00 Cr	29.09.2014	-
Indo textile & fibres Ltd	Lease, leave and License Agreement	8 Year	Rent of Rs. 236250/ P.M with Security Deposit of Rs. 10.00 Lakh	29.09.2014	-
Spell fashions Private Ltd	Lease, leave and License Agreement	8 Year	Rent of Rs. 30000/ P.M with Security Deposit of Rs. 51000	29.09.2014	-

Note : Rent, if any increased is within the limit and terms and conditions approved by shareholders.

FOR AND ON BEHALF OF BOARD OF DIRECTORS
FOR RELIANCE CHEMOTEX INDUSTRIES LIMITED

Place: Mumbai
Date: June 21, 2021

(Sanjiv Shroff)
Managing Director
DIN: 00296008

(Rahul Shroff)
Executive Director
DIN: 02301693



Annual Report on Corporate Social Responsibility Activities

[Pursuant to clause (o) of sub section (3) of Section 134 of the Companies Act, 2013 and Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014]

1. Brief outline on CSR Policy of the Company

The CSR Policy of the company is intended to ensure that the CSR programs of the Company reflect its values and is aligned with the applicable regulatory requirements. The Company believes in taking an active role and responsibility in transforming the lives of rural peoples by improving their socio-economic conditions directly or indirectly. The efforts of the Company will not only impact the development of the direct beneficiaries, but also attempt to indirectly enhance the education levels among the underprivileged people. Education and skill development, clean water and proper sanitation in schools for underprivileged children, rural developments, Good health, eradication of poverty, hunger, rehabilitation, and other are key pillars of our CSR policy which always motivates us of giving back to the society.

2. Composition of CSR Committee:

Sr. No.	Name of Director	Designation/Nature of Directorship	Number of Meetings of CSR Committee held during the year	Number of Meetings of CSR Committee attended during the year
1.	Mr. Kishori Lal Sonthalia*	Chairman-Independent Director	1	0
2.	Mr. Ram Niwas Sharma **	Chairman-Independent Director	1	1
3.	Mr. Rahul Shroff	Member- Executive Director	1	1
4.	Mr. Ramadoss Srinivasan**	Member-Independent Director	0	0

*Mr. Kishori Lal Sonthalia, Chairman of the committee passed away on November 21, 2020 and the committee was reconstituted on February 10, 2021.

**Mr. Ram Niwas Sharma was appointed as the Chairman of the Committee and Mr. Ramadoss Srinivasan was inducted as the member of the committee in the Board Meeting held on February 10, 2021.

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

Total Amount Spent for the Financial Year (Rs.)	Amount Unspent (Rs. in Lakh)				
	Total Amount Transferred to Unspent CSR Account as per Section 135 (6)		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
20,24,288	Nil	-	-	Nil	-

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 the CSR Committee on <https://www.reliancechemotex.com/reports/code-of-conduct-and-policies/>

CSR Policy -

<https://www.reliancechemotex.com/reports/code-of-conduct-and-policies/>

CSR Projects -

<https://www.reliancechemotex.com/reports/code-of-conduct-and-policies/>

4. 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: 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

Sr. No.	Financial Year	Amount available for set-off from preceding Financial Year (In Rs.)	Amount required to be set off for the Financial Year, if any (in Rs.)
-	-	-	-

6. Average Net Profit of the Company as per Section 135 (5): Rs. 6,54,17,173

7. (a) Two Percent of Average Net Profit of the company as per Section 135(5): Rs. 13,08,343/-

(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): 20,21,445/- (Unspent amount of Rs. 7,13,102/- which belongs to 2019-20 is also included.)



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

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sr. 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		Project duration	Amount allocated for the project (in Rs.).	Amount spent in the current financial Year (in Rs.)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in Rs.)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
				State	District						Name	CSR Registration Number
	-	-	-	-		-	-	-	-	-	-	
	TOTAL											

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

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sr. 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 number
1.	Blanket Distribution to underprivileged people	(i)	Yes	Rajasthan	Udaipur	1,81,500	Yes	-	-
2.	Renovation of Government School at Village Kanpur by building proper sanitization facility and covering the kaccha ground with the interlocking tiles	(ii) & (x)	Yes	Rajasthan	Udaipur	4,67,788	Yes	-	-
3.	Construction of Separate toilets for Girls and proper drinking facility by installing R.O in Government School at Kalabhata, Udaipur	(ii) & (x)	Yes	Rajasthan	Udaipur	1,45,000	Yes	-	-
4.	Construction of Underground Water Tank for storage of drinking water and installing R.O. for drinking clean water in the government school situated at Purohito Ki Madri, Udaipur	(ii) & (x)	Yes	Rajasthan	Udaipur	1,80,000	Yes	-	-
5.	Construction of playground by levelling the land and construction of boundary for the same for underprivileged children in Village Kanpur, Udaipur	(iv), (vii) & (x)	Yes	Rajasthan	Udaipur	8,50,000	Yes	-	-
6.	Construction/Renovation of Road in village Kanpur, Udaipur	(x)	Yes	Rajasthan	Udaipur	2,00,000	Yes	-	-
	TOTAL					20,24,288			



- (d) Amount spent in Administrative Overheads: NIL
(e) Amount spent on Impact Assessment, if applicable: NIL
(f) Total amount spent for the Financial Year (8b+8c+8d+8e): Rs. 20,24,288/-
(g) Excess amount for set off, if any

Sr. No.	Particular	Amount (in Rs.)
(i)	Two percent of average net profit of the company as per section 135(5)	20,21,445/-
(ii)	Total amount spent for the Financial Year	20,24,288/-
(iii)	Excess amount spent for the financial year [(ii)-(i)]	2,843/-
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	2,843/-

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

Sr. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (in Rs.)	Amount spent in the reporting Financial Year (in Rs.)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any			Amount remaining to be spent in succeeding financial years. (in Rs.)
				Name of the fund	Amount (in Rs.)	Date of Transfer	
1.		NIL	-	-	NIL	-	-

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

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sr.No.	Project ID	Name of the Project	Financial Year in which the project was commenced	Project Duration	Total amount allocated for the project (in Rs.).	Amount spent on the project in the reporting Financial Year (in Rs.).	Cumulative amount spent at the end of reporting Financial Year. (in Rs.)	Status of the project - Completed /Ongoing.
1.	-	-	-	-	Nil	Nil	Nil	-

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

(asset-wise details)

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

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5): Not Applicable

FOR AND ON BEHALF OF BOARD OF DIRECTORS
FOR RELIANCE CHEMOTEX INDUSTRIES LIMITED

Date: June 21, 2021

(Sanjiv Shroff)
Managing Director
DIN: 00296008

Mr. Ram Niwas Sharma
Chairman, CSR Committee
DIN: 00368947



Annexure-5

(The Report forms part of Directors Report) Disclosure in Directors Report on pursuant to Section 197(12) of the Companies Act, 2013 with the Companies (Appointment & Remuneration of Managerial Person), Rules 2014.

Sr. no.	Particulars	Disclosure										
1.	The ratio of remuneration of each director to the median remuneration of the employees of the company for the FY 2020-21	<table><tr><th>Name of Director</th><th>Ratio</th></tr><tr><td>Mr. Sanjiv Shroff</td><td>75.71</td></tr><tr><td>Mr. Rahul Shroff</td><td>66.08</td></tr><tr><td>Mr. Ameya Shroff</td><td>69.44</td></tr></table>	Name of Director	Ratio	Mr. Sanjiv Shroff	75.71	Mr. Rahul Shroff	66.08	Mr. Ameya Shroff	69.44		
Name of Director	Ratio											
Mr. Sanjiv Shroff	75.71											
Mr. Rahul Shroff	66.08											
Mr. Ameya Shroff	69.44											
2.	The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or manager if any, in the FY 2020-21	<table><tr><td>Mr. Sanjiv Shroff, MD</td><td>-</td></tr><tr><td>Mr. Rahul Shroff, ED</td><td>-</td></tr><tr><td>Mr. Ameya Shroff, ED</td><td>-</td></tr><tr><td>Mr. Chandrasekaran Rajagopalan, CFO</td><td>-</td></tr><tr><td>Mr. Chirag Gupta, CS</td><td>NA</td></tr></table>	Mr. Sanjiv Shroff, MD	-	Mr. Rahul Shroff, ED	-	Mr. Ameya Shroff, ED	-	Mr. Chandrasekaran Rajagopalan, CFO	-	Mr. Chirag Gupta, CS	NA
Mr. Sanjiv Shroff, MD	-											
Mr. Rahul Shroff, ED	-											
Mr. Ameya Shroff, ED	-											
Mr. Chandrasekaran Rajagopalan, CFO	-											
Mr. Chirag Gupta, CS	NA											
3.	The percentage increase in the Median Remuneration of employees in the financial year	NIL The change in median is due to change in employees as compared to previous years.										
4.	The number of permanent employees on the rolls of the company as on March 31, 2021	1576										
5.	Average percentile increases already made in the salaries of employees other than managing personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration	NIL. The same is due to COVID impact.										
6.	Affirmation that the remuneration is as per the remuneration policy of the company	It is affirmed that the remuneration paid is as per the remuneration policy of the company										



**Statement containing particular of employees in accordance with Rule 5 (2) of the Companies
(Appointment and Remuneration of Managerial Personnel) Rules, 2014**

Name	Designation	Remuneration	Qualification	Experience	Joining Date	Age	Last Employment
Mr. Sanjiv Shroff	Managing Director	78,42,995	Science Graduate	32 Years	01-09-1988	61 Years	-
Mr. Rahul Shroff	Executive Director	67,51,650	Master in Engineering in Electrical and Computer Science	10 Years	28-07-2008	34 Years	-
Mr. Ameya Shroff	Executive Director	60,35,004	Master in Engineering in Electrical and Computer Science	8 Years	29-06-2013	31 Years	-
Mr. Chandrasekaran Rajagopalan	Chief Financial Officer	47, 26,137	Chartered Accountant & Company Secretary	38 years	11.11.2019	60 Years	IG Petro chemicals Ltd.
Mr. Vinay Srivastava	President	38,70,900	Diploma in Textile Technology	22 Years	01.05.2020	44 Years	Trident Limited
Mr. Sarvesh Kumar	GM (Marketing)	21,07,400	B. Tech	17 Years	04.11.2019	39 Years	Winsome Yarn Limited.
Mr. Madan Gopal Rathi	Finance Manager and Coordinator	19,83,000	Post Graduate in Commerce	49 Years	29-06-2013	71 Years	-
Mr. S.S Saxena	Vice President Personnel	18,46,800	Master of Social Works	38 Years	26.05.2014	62 Years	Birla Textile Mills Ltd.
Mr Anil Mujumdar	Vice President Engineering	16,67,760	Diploma in Electrical	38 Years	30.09.2015	58 Years	Gimatex Industries Ltd.
Mr. V.K Joshi	Vice President R&D	14,99,764	M.Tech	27 Years	01.07.2013	59 Years	Bharat Commercial Industries Ltd.

Note : The remuneration above does not include provision/payment towards incremental liability on account of gratuity and compensated absences since actuarial valuation is done for the Company as a whole.



MANAGEMENT DISCUSSION AND ANALYSIS REPORT

INDUSTRY STRUCTURE AND DEVELOPMENTS

COVID-19 has adversely impacted an already weak and fragile world economy. Devasted by the disruptions caused by the pandemic, the global economy is estimated to have contracted by 3.3% in 2020. As the year progressed, we saw a number of major economies reopening, however, demand has been volatile due to imposition of restrictions once again, caused by the second (and sometimes third) wave of the virus. The availability of vaccines in major economies from the beginning of this calendar year, should allow these countries to bring their economies back on a path to growth.

The Indian Economy has been adversely impacted by the pandemic and its associated restrictions – the entire country was in lockdown for much of the first quarter of the fiscal under review. In order to support domestic businesses and emphasise self-reliance, the Indian government announced a 20 Lakh crore stimulus package, the Aatma Nirbhar Bharat Abhiyan. This package included a slew of measures to reinvigorate the economy and to provide relief to businesses, enterprises and households that have been adversely impacted by the lockdown and disruptions caused by the pandemic.

However, as per Government estimates, India's real GDP contracted by 8% for the financial year under review. According to the International Monetary Fund's (IMF) latest estimates, India's GDP growth will recover sharply by 12.5% in the fiscal 2021-2022 and subsequently to 6.9% in the fiscal 2022-2023. The key driver of this recovery will be a revival of domestic consumption backed by a fast and efficient vaccine roll-out and by Government support of various industries through the promotion of capital investment initiatives like the Production Linked Incentive (PLI) Scheme.

The Reserve Bank of India (RBI) is also expected to maintain its accommodative stance and keep key policy rates stable, indicating its willingness to support capital investments being made in the private and public sectors.

(Source: IMF – World Economic Outlook – April 2021 report and other sources)

Synthetic Textile Industry in India

India is one of the world's leading manufacturers of man-made textiles. The Textile Industry in India has several distinct advantages: abundant availability of raw materials, availability of skilled manpower at a competitive rate, and a flourishing and diverse domestic market that is being aided by rapid urbanization and increasing per capita income.

Furthermore, the Indian Textile Industry has manufacturing strength across the value chain – right from fibre manufacturing to the production of garments – which allows for robust synergies that lead to cost efficiencies across the value chain. Unfortunately, however, the highly fragmented nature of the industry does not allow the industry to exploit the benefits of this established manufacturing value chain to the extent that is possible in competing countries.

However, various Government initiatives like the abolition of anti-dumping duty on a key synthetic raw material, Purified Terephthalic Acid (PTA), the introduction of the Production Linked Incentive Scheme (PLI) of Rs 10,683 crores for Manmade Fibres and Technical Textiles over a five-year period and the setting up of Mega Integrated Textile Regions and Parks along with the formulation of a New Textile Policy will be all instrumental in increasing the competitiveness of the Indian Textile Industry globally.

<https://www.ibef.org/download/Textiles-and-Apparel-January-2021.pdf>

<https://www.ibef.org/exports/synthetic-and-rayon-textiles.aspx>

<https://www.investindia.gov.in/sector/textiles-apparel/man-made-fibres>

<https://www.investindia.gov.in/sector/textiles-apparel>

OPPORTUNITIES

The Corona Virus pandemic has led to severe disruptions throughout the textile value chain, however, this pandemic does present the industry with an opportunity to become a viable sourcing alternative to China as customers around the world look to diversify and reduce their dependence on China. The Government's renewed focus on "Make in India", the "Atma Nirbhar Bharat (or Self-Reliant



India)" campaign and the new Production Linked Incentive (PLI) Scheme for the Textile Sector with a focus on Man-Made Fibre (MMF) and Technical Textiles, all promise to provide impetus to the industry in its effort to further strengthen its value chain and emerge as a top sourcing destination for customers around the world.

Furthermore, your Company's continued focus on exports and its established, long-term relationships with customers around the globe will be advantageous as the world pivots to the "China +1" sourcing strategy. Additionally, your Company's strategic foray into textiles also promises to bear fruit in the near future.

THREATS

The Corona Virus pandemic and its impact on domestic and global trade is certainly a threat to the sector today. This coupled with deteriorating United States-China trade relations, currency volatility, raw material fluctuations and increased competition from countries like Vietnam, Bangladesh and Sri Lanka may have some impact on the industry in the near term.

Risks and Concerns

The Textile Industry is extremely labour intensive. The availability of labour continues to be challenging for the industry, across the value chain. Furthermore, the rigid labour laws and increasing wages are also a hindrance.

The cost of power is another vital component and accounts for 15%-20% of the overall production cost in textile spinning. Higher Industrial Power Tariff Rates in your company's geography of operation is an area that needs to be addressed. In an effort to insulate the Company from fluctuations in the aforementioned Industrial Power Tariff Rates, reduce the Company's carbon footprint and reduce overall operational costs, the Company has begun to install Solar Panels on the rooftops of our manufacturing units in Udaipur. The first 1.4 MW of solar capacity has been successfully commissioned and is operating satisfactorily. We endeavour to strategically scale this capacity up to 3MW.

Segment wise and Product wise Performance

The Company's primary business segment is Yarn, hence there is no other segment-wise information provided. The Company has no activity outside India except the Export of the Yarn manufactured in India.

(Rs. In Lakhs)

Revenue from Operations	2020-21	2019-20
Export	14324.65	17115.45
Domestic	10559.32	11665.24

Outlook

With the commencement of mass vaccinations around the globe we are cautiously optimistic of an improvement in economic activity and consumption, which will result in increased activity in the manufacturing sector and the services sector. In India too, inoculations are underway - As the second largest employer in the nation, after agriculture, the textile sector will be a direct beneficiary of a turnaround in the economy.

Internal Control Systems and their adequacy

The Company has put in place an adequate system of internal control commensurate with its size and nature of business to safeguard and protect from loss, unauthorized use or disposition of its assets. All the transactions are properly authorized, recorded and reported to the Management. The Company is following all the applicable Accounting Standards for properly maintaining the books of accounts and reporting financial statements. The internal auditor of the Company checks and verifies the internal control system and monitors them in accordance with the policy adopted by the Company. The Audit Committee of the Board of Directors, Statutory Auditor and Department Heads are appraised of the internal audit finding and corrective action is taken thereon. The audit observations and the management's responses are placed before the Audit Committee. We believe that our internal financial control system provides reasonable assurance that our internal financial control is designed effectively and is operating as intended.



Discussion on financial performance with respect to operational performance

The Operational Performance of the Company has been included in the Director's Report which forms a part of the Annual Report. We are delighted to state that the modernisation and expansion project which we had initiated in the last Financial Year, has been progressing well although the timeline was delayed by the pandemic. The first phase of the project was completed during the second quarter of this fiscal – in this phase we replaced 6,240 spindles in one of our older units with new spindles and have reallocated some of the older machinery for Research and Development purposes. The second phase of the project commenced during the third quarter of the fiscal under review – in this phase we will be replacing 10,000 spindles in one of our older units with new spindles and will be reallocating some of the older machinery for Research and Development purposes. This project will significantly reduce operating costs, improve profitability and further increase the flexibility of the company's manufacturing capabilities.

In an effort to further reduce our operating costs, the Company has begun to install Solar Panels on the rooftops of our manufacturing units in Udaipur. The first 300 KW of solar capacity has been successfully commissioned and is operating satisfactorily. We commenced with and completed the second phase (an additional capacity of 1.1 MW) of the installation in the fourth quarter of this fiscal and we endeavour to strategically scale this capacity up to 3MW. This project will reduce the Company's carbon footprint, lead to significant cost savings and will, to a certain extent, insulate the Company from fluctuations in Industrial Power Tariff Rates.

HUMAN RESOURCES AND INDUSTRIAL RELATIONS

The Company recognizes the importance of its employees as a key asset instrumental to its growth. The Company believes in the acquisition, retention and betterment of talented team players. With the philosophy of inclusive growth, the Company has further redefined its performance management system. The new system focuses on the progression of individual employees while emphasising the importance of organisational goals. Under the new system, there is an increased thrust on job rotation and multi-skilling. The Company's Human Resource Department is committed to positively developing employees with an emphasis on productivity, quality and customer satisfaction. In order to maintain a skilled workforce, the company regularly provides in-house training to its employees and also deputs them to machinery manufacturers and training institutes for specific training as and when the need arises.

The Company has a well-developed management information system which provides the required information to the all levels of management. Such reports are routinely analysed and effective steps are taken to control the product quality, efficiency, utilisation and productivity in company.

The strength of the company's workforce at the end of financial year was 1576. This includes both skilled and unskilled manpower.

KEY FINANCIAL RATIO

Pursuant to amendment made in Schedule V to the SEBI Listing Regulations, details of significant changes (i.e. a change of 25% or more as compared to the immediately previous financial year) in Key Financial Ratios and any changes in Return on Net Worth of the Company (on standalone basis) including explanations therefore are given below:

Particular	31.03.2021	31.03.2020
Debtor Turnover Ratio (no. of days)	15.17	16.16
Inventory Turnover (no. of days)	66.64	42.64
Interest coverage Ratio	2.07	2.04
Current Ratio	1.03	0.94
Debt/Equity Ratio	0.46	0.40
Operating Profit margin	7.83%	7.05 %
Net Profit Margin	4.05%	3.59 %
Return on Net worth	6.72%	9.64 %



RELIANCE CHEMOTEX INDUSTRIES LIMITED, UDAIPUR REPORT ON CORPORATE GOVERNANCE

In accordance with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') and some of the best practices followed internationally on Corporate Governance, the following report on governance lays down the ethos of **RELIANCE CHEMOTEX INDUSTRIES LIMITED ("RCIL" or "the Company")** and its commitment to conduct business in accordance with sound Corporate Governance practices.

1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Pursuant to Regulation 34 of the Listing Regulations and Companies Act, 2013 ('Act'), the report contains the details of Corporate Governance system and process at the Company. We believe in adopting the well accepted Corporate Governance practices, benchmark the same to the best governed companies and strive to improve them continuously.

Our Corporate Governance is a reflection of our value system encompassing our culture, policies and relationships with our stakeholders. Integrity and transparency are key to our Corporate Governance practices and performance and we ensure that we gain and retain the trust of stakeholders at all times. Our guiding principles and practices are summarized in this Corporate Governance Report. The Board of Directors of the Company ('Board') is at the core of our Corporate Governance practice and oversees how the management serves and protects the long term interests of our stakeholders. Our Corporate Governance framework ensures that the Company makes timely disclosures and share accurate information regarding our financials, performance and other material events.

Our Corporate Governance philosophy and practices are based on the following principles:

- Appropriate Composition of Board of Directors where every member is having expertise in their domain.
- Availability of information to the members of Board and Committees enabling them to discharge their fiduciary duties.
- Timely disclosure of material, operational, and financial information to the stakeholders.
- Proper business conducted by the Board and Senior Management.
- System and processes are in place for internal control.

2. BOARD OF DIRECTORS

a) Composition of the Board

The Board is broad-based and consists of eminent personalities from Industrial, Managerial, Technical, Financial and Marketing backgrounds. The Company is managed by the Board of Directors in co-ordination with the Senior Management Team. The composition and strength of the Board is reviewed from time to time for ensuring that it remains aligned with statutory as well as business requirements. The Company has a Judicious Combination of Executive and Non- Executive Directors. As on March 31, 2021, the Board comprised of 8 Directors out of which three are Executive Directors, three are Independent Directors and two are Non-Executive Directors of which one is Women Director. The Chairman of the Board is an Independent Director of the Company. Composition of Board of Directors of the Company is in conformity with the applicable provisions of the Listing Regulations and the Act.

b) NUMBER OF BOARD MEETINGS

During the financial year 2020-2021, the Board met 4 times i.e. on June 26, 2020; August 26, 2020; November 09, 2020 and February 10, 2021.

The attendance at the Board Meetings during the previous year, Annual General Meeting and other details such as Directorship in other Indian Companies etc. are as follows:



RELIANCE

CHEMOTEX INDUSTRIES LIMITED

CIN L40102RJ1977PLC 001994

Name of Director & DIN	Category of Director	No. of B.M attended	Last AGM attended	No. of Directorship and committee Member/ Chairmanship ¹			Relationship Director inter- se	Equity Shares held
				Directorship ¹	Committee Membership ²	Committee Chairmanship ²		
Mr. Ramadoss Srinivasan (Chairman) DIN : 00235831	Independent Director	4	Yes	1	1	-	-	-
Mr. Sanjiv Shroff (Managing Director) DIN: 00296008	Promoter/ Managing Director	4	Yes	6	1	-	Related to Mr. S.L Shroff, Smt Dipika Shroff, Mr. Rahul Shroff, Mr. Ameya Shroff, & Mr. N.G. Khaitan	1,45,800
Mr. N.G.Khaitan DIN: 00020588	Promoter/ Non -Executive Director	4	Yes	11	6	3	Related to Mr. S.L Shroff, Mr. Sanjiv Shroff, Mrs. Dipika Shroff, Mr. Rahul Shroff & Mr. Ameya Shroff	100
Mr. Narayan Shroff DIN: 05207412	Independent Director	2	No	2	-	2	-	50
Mr. K.L. Sonthalia DIN: 00899958*	Independent Director	2	Yes	4	-	2	-	200
Mr. R.N. Sharma DIN: 00368947	Independent Director	4	Yes	3	2	-	-	50
Mr. Rahul Shroff (Executive Director) DIN: 02301693	Promoter/ Executive Director	4	Yes	6	-	-	Related to Mr. S.L Shroff, Mr. Sanjiv Shroff, Smt Dipika Shroff, Mr. Ameya Shroff & Mr. N.G. Khaitan	-
Mr. Ameya Shroff (Executive Director) DIN: 05315616	Promoter/ Executive Director	4	Yes	3	-	-	Related to Mr. S.L Shroff, Mr. Sanjiv Shroff, Smt Dipika Shroff, Mr. Rahul Shroff & Mr. N.G. Khaitan	1,24,000
Mrs. Dipika Shroff DIN: 00226941	Promoter/ Non -Executive Director	2	No	3	-	-	Related to Mr. S.L Shroff, Mr. Sanjiv Shroff, Mr. Rahul Shroff, Mr. Ameya Shroff & Mr. N.G. Khaitan	2,31,150

1. The directorship, held by Directors, as above including the directorship of Reliance Chemotex Industries Limited and other public and private company.
2. Committees considered for the purpose are those prescribed under the Listing Regulation viz. Audit Committee and Stakeholders Relationship Committee of other Indian Public/private Companies Including Reliance Chemotex Industries Limited.

Notes:

*Mr. K.L. Sonthalia, Independent Director and Chairperson of Audit Committee, Nomination & Remuneration Committee, Stakeholders Relationship Committee and Corporate Social Responsibility Committee, passed away on November 21, 2020. However, Mr. Sonthalia attended the Annual General Meeting of the Company duly held on September 28, 2020.



Details of name of other listed entities where Directors of the Company are Directors and the category of Directorship as on March 31, 2021 are as under:

Name of Director	Name of other Listed entities in which the concerned Director is Director	Category
Mr. N. G. Khaitan	HSIL LIMITED INDIA POWER CORPORATION LIMITED MANGALAM CEMENT LTD CHASE BRIGHT STEEL LIMITED JK LAKSHMI CEMENT LIMITED SOMANY HOME INNOVATION LIMITED	Independent Director

c) MEETING OF INDEPENDENT DIRECTORS

The Independent Directors meet separately at least once in a year, without the presence of Non-Independent Directors or representatives of the management. They meet to discuss and form an independent opinion on the various agenda items during the year and various other related matters, identify areas where they need clarity or information from the Management, annually review the performance of Non- Independent Directors, the Board as a whole and the Chairman of the Company, taking into account the views of Executive Directors and Non- Executive Directors and assess the quality, quantity and timeliness of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform their duties. During the financial year 2020-21, the Independent Directors met on February 10, 2021 and Mr. Ramadoss Srinivasan and Mr. Narayan Shroff were present in the Meeting. Mr. K. L. Sonthalia, Independent Director of the Company passed away on November 21, 2020 and Mr. Ram Niwas Sharma was re-designated as Independent Director of the Company with effect from February 10, 2021 with the approval of shareholders via postal ballot.

3. BOARD INDEPENDENCE

The Independent Directors fulfills the conditions of Independence as specified in Section 149 of the Act and Regulation 16 (1) (b) of Listing Regulations. Format of Letter of Appointment of Independent Directors is uploaded on the website of the company at <https://www.reliancechemotex.com/reports/miscellaneous-reports/>.

Further, at the time of appointment and thereafter at the beginning of each financial year, the Independent Directors submit a self-declaration, confirming their independence and compliance with various eligibility criteria laid down by the Company, among other disclosures and the Company also ensures that its Directors meet the above eligibility criteria. All such declarations are placed before the Board for information. In the opinion of the Board of Directors, all the Independent Directors of the Company fulfill the conditions specified in the Listing Regulations and the Act and are independent of the management.

4. FAMILIARIZATION PROGRAMME FOR BOARD MEMBERS

In compliance with the requirements of the Act and the listing regulations, the Company has put in place the familiarization programme for the independent directors to familiarize them with their role, rights and responsibilities of directors along with the working of the company, nature of the industry in which the company operates, etc. The details of the familiarization programme imparted to the independent directors are posted on the website of the company and can be accessed at <https://www.reliancechemotex.com/reports/grievance-management/>.

SKILLS / EXPERTISE COMPETENCIES OF THE BOARD OF DIRECTORS:

The following is the list of core skills/competencies identified by the Board of Directors as required in the context of the Company's business and that the said skills are available within the Board Members:

1. Governance skills (that is, skills directly relevant to performing the Board's key functions);
2. Industry skills (that is, skills relevant to the industry or section in which the organization pre dominantly operates)
3. Personal attributes or qualities that are generally considered desirable to be an effective Director;



4. Technical skills/experience in accounting/ finance/ Government or public policy/ economy/ human resource management/ strategy development and implementation/ Capital planning;
5. Governance competencies like Director in large organization, compliance focus, leadership, risk management experience, Business judgment.

Based on the above mentioned skill matrix, the specific areas of focus of individual Board member have been highlighted. However, absence of mark against a members' name does not necessarily mean that the member does not possess the corresponding skill.

Sr. No	Skills/Expertise/ Competencies	Governance skills	Industry skills	Personal attributes	Technical skills	Governance competencies
1	Mr. Sanjiv Shroff	✓	✓	✓	✓	✓
2	Mr. Ameya Shroff	✓	✓	✓	✓	✓
3	Mr. Rahul Shroff	✓	✓	✓	✓	✓
4	Mrs. Dipika Shroff	✓	✓	✓	✓	✓
5	Mr. N.G. Khaitan	✓	✓	✓	✓	✓
6	Mr. Ramadoss Srinivasan	✓	✓	✓	✓	✓
7	Mr. K.L. Sonthalia*	✓	✓	✓	✓	✓
8	Mr. Narayan Shroff	✓	✓	✓	✓	✓
9	Mr. R.N. Sharma	✓	✓	✓	✓	✓

*Mr. K. L. Sonthalia, Independent Director ceased to be director of the Company with effect from November 21, 2020 due to his sad demise.

COMMITTEES OF THE BOARD

In compliance with the statutory requirements, the Board has constituted various committees with specific terms of reference and scope. The objective is to focus effectively on the issues and ensure expedient resolution of the diverse matters. The Board of Directors has Constituted 5 Committees of the Directors with adequate delegation of powers to discharge urgent business of the Company. As on March 31, 2021 the Board has established the following committees as below:

- (a) Audit Committee
- (b) Nomination & Remuneration Committee
- (c) Stakeholder Relationship Committee
- (d) Corporate Social Responsibility Committee
- (e) Finance Committee.

5. AUDIT COMMITTEE

As on March 31, 2021, Audit Committee comprises of 4 Directors, all being the Non - Executive Directors. Mr. K.L. Sonthalia, Chairman of the Audit Committee passed away on November 21, 2020 due to which the Audit Committee was reconstituted on February 10, 2021 and Mr. Narayan Shroff was appointed as the chairperson and Mr. Ram Niwas Sharma was inducted as the member of the Audit Committee. The Chairman of the Audit Committee, Mr. Narayan Shroff, Independent Director, has sound financial knowledge as well as many years of experience in general management. All members of Audit Committee, including the Chairman, have accounting and financial management expertise. The composition of the Audit Committee meets the requirements of Section 177 of the Act and the Listing Regulations.

The Company secretary acts as the secretary to committee. Mr. K. L. Sonthalia who was the chairperson of the Audit Committee was present in the Annual General Meeting held on September 28, 2020.

During the financial year 2020-2021, the Audit Committee met 4 times i.e. on June 26, 2020; August 26, 2020; November 09, 2020 and February 10, 2021. The composition of the Committee as on March 31, 2021 and the attendance of members at the meetings held during the financial year 2020-2021 are given below:



Name of Member	Category	No. of Meetings held during Tenure	No. of Meetings attended
Mr. K. L. Sonthalia Chairman*	Independent Director	3	2
Mr. Narayan Shroff Chairman**	Independent Director	4	2
Mr. Ramadoss Srinivasan Member	Independent Director	4	4
Mr. N. G. Khaitan Member	Not Executive Director	4	4
Mr. Ram Niwas Sharma Member^	Independent Director	0	0

*Mr. K.L. Sonthalia ceased to be Chairman of the committee due to his death on November 21, 2020.

**Mr. Narayan Shroff was appointed as the chairperson of the audit committee in the Board Meeting held on February 10, 2021.

^Mr. Ram Niwas Sharma was inducted as the member to the audit committee w.e.f. February 10, 2021. Further Mr. Sharma was also re-designated as the Independent Director of the company with the approval of shareholders via postal ballot w.e.f. February 10, 2021.

The terms of reference of the audit committee are broadly stated as under:

- Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
- Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- Reviewing with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
 - Matters required to be included in the Director's Responsibility Statement to be included in the Board's report as per the terms of clause (c) of sub-section 3 of section 134 of the Act.
 - Changes, if any, in accounting policies and practices and reasons for the same.
 - Major accounting entries involving estimates based on the exercise of judgment by management.
 - Significant adjustments made in the financial statements arising out of audit finding.
 - Compliance with listing and other legal requirements relating to financial statements.
 - Disclosure of any related party transactions.
- Discussion on Qualification in the draft audit report.
- Reviewing with the management, the quarterly/ half yearly financial statements before submission to the board for approval;
- Reviewing with the management, the statement of uses/ application of funds raised through an issue (public issue, right issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/ prospectus/ notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
- Review and monitor the auditors' independence and performance, and electiveness of audit process;
- Approval or any subsequent modification of transactions of the Company with related parties;
- Scrutiny of inter-corporate loans and investments;
- Examination of the financial statement and the auditors' report thereon;
- Valuation of undertakings or assets of the company, wherever it is necessary;



- Evaluation of internal financial controls and risk management systems;
- Establish a vigil mechanism for directors and employees to report genuine concerns in such manner as may be prescribed;
- Approval and appointment of Chief Financial Officer.
- Formulating in consultation with Auditor the Scope, functioning, periodicity, and mythology of conducting audit.
- Review of Management Discussion and Analysis Report on Financial Condition and results of operations.
- Reviewing of Statement of Significant Related Party Transactions.
- Management letter/ letter of Internal Control Weakness issued by Statutory Auditor.
- Reviewing Internal Audit Report related to Internal Control Weakness.
- Reviewing statement of deviations as per Regulation 32 of SEBI (LODR) Regulations, 2015.

6. NOMINATION & REMUNERATION COMMITTEE

As on March 31, 2021, the Nomination and Remuneration Committee comprises of 3 Non-Executive Directors with all of them being Independent Directors of the Company. Mr. Narayan Shroff, Independent Director, is the Chairman of the Committee. The composition of the Committee meets the requirements of Section 178 of the Act and the Listing Regulations. The Company Secretary of the Company acts as the secretary of the Committee. Mr. K.L. Sonthalia, Chairman of the Nomination and Remuneration Committee passed away on November 20, 2020 due to which the Nomination and Remuneration Committee was reconstituted on February 10, 2021 and Mr. Narayan Shroff was appointed as the chairperson of the Nomination and Remuneration Committee.

During the financial year 2020-2021, the Nomination and Remuneration Committee met 3 times i.e. on June 26, 2020; August 26, 2020; and February 10, 2021. The composition of the Committee as on March 31, 2021 and the

Attendance of members at the meetings held during the financial year 2020-2021 is given below:

Name of Member	Nature of Membership / Category	No. of Meetings held during Tenure	No. of Meetings attended
Mr. K. L. Sonthalia Chairman*	Independent Director	2	1
Mr. Narayan Shroff Chairman**	Independent Director	3	2
Mr. R. N. Sharma Member^	Independent Director	3	3
Mr. Ramadoss Srinivasn Member	Independent Director	3	3

*Mr. K.L. Sonthalia ceased to be Chairman of the committee due to his death on November 21, 2020.

**Mr. Narayan Shroff was appointed as the chairperson of the Nomination and Remuneration committee in the Board Meeting held on February 10, 2021.

^Mr. R. N. Sharma was re-designated as the Independent Director of the company with the approval of shareholders via postal ballot w.e.f. February 10, 2021. However Mr. R. N. Sharma was already a member of the Nomination and Remuneration committee.

TERMS OF REFERENCE

The Nomination and Remuneration Committee is empowered with the following terms of reference and responsibilities in accordance with the provision of law and Nomination and Remuneration policy:

- Reviewing the overall compensation policy, service agreements and other employment conditions of Managing/ Whole-time Director (s) and Senior Management (one level below the Board of Directors);
- To help in determining the appropriate size, diversity and composition of the Board;



- To recommend to the Board appointment / re-appointment and removal of Directors;
- To frame criteria for determining qualification, positive attributes and independence of Directors;
- To recommend to the Board remuneration payable to the Directors (while fixing the remuneration of executive Directors the restrictions contained in the Companies Act, 2013 are to be considered)
- To create an evaluation framework for the Independent Directors;
- To provide necessary reports to the Chairman after the evaluation process is completed by the Directors;
- To assist in developing a succession plan for the Board;
- To assist the Board in fulfilling the responsibilities entrusted from time to time ;
- Delegation of any of its powers to any Member of the Committee or the Compliance Officer and the Board;
- To recommend to the board, all remuneration, in whatever form, payable to senior management.

CRITERIA FOR PERFORMANCE EVALUATION OF INDEPENDENT DIRECTORS AND THE BOARD

As per the provisions of the Listing Regulation, the Nomination and Remuneration Committee has laid down the evaluation criteria for performance evaluation of Independent Directors and the Board. The manner for performance evaluation of Directors including the independent Directors, Committees, and Board as a whole is covered in the Directors Report.

The Nomination and Remuneration Committee has devised criteria for evaluation of the performance of the Directors including the Independent Directors. The said criteria provides certain parameters like understanding the roles and responsibilities including short term and long term goals of the company, proactive discussions, expertise, to express disagreement wherever necessary, engagement with the management, etc. which is in compliance with applicable laws, regulations and guidelines. Performance evaluation was done by Nomination and Remuneration Committee in their meeting held on June 26, 2020 and also by Independent Directors in their meeting held on February 10, 2021.

7. Remuneration Policy:

Non-Executive Director: The non- executive directors are paid remuneration by way of sitting fees for the meetings plus travelling and other expenses for attending the meetings. The Non-Executive Directors are paid sitting fees for each meeting of Board and committee of Directors attended by them. The Non-Executive Directors do not have any material pecuniary relationship or transaction with the Company. The total sitting fees during the year was Rs. 4,83,000/- as follows:-

Name of Director	Sitting fee for (Amount in Rs.)	
	Board Meeting	Committee Meeting
Mr. N.G. Khaitan	80,000	25,000
Mr. K.L. Sonthalia*	20,000	14,500
Mr. Ramadoss Srinivasan	80,000	30,500
Mr. R.N Sharma	80,000	14,000
Mr. Narayan Shroff	60,000	19,000
Mrs. Dipika Shroff	60,000	-

*Mr. K.L. Sonthalia ceased to be director of the company due to his death with effect from November 21, 2020.

Executive Directors: The appointment/re-appointment and remuneration of Executive Directors including Managing Director and Whole time Director is governed by the recommendation of the Nomination and remuneration Committee, Resolutions passed by the Board of Directors and Shareholders of the Company. The remuneration package of Managing Director and Whole time Director comprises of salary, perquisites, allowances, commission, contributions to Provident fund and other retirement benefits as approved by shareholders at the General Meetings/ postal ballots . Nomination and Remuneration policy was displayed on the Company website at i.e. <https://www.reliancechemotex.com/reports/code-of-conduct-and-policies/>. The Details of remuneration paid to Executive Directors during the Financial Year 2020-21 are as under;



Name of Executive Directors	Basic Salary	Ex-gratia	Allowances	Total	Service Contract (Years)	Period	Notice Period and Severance Fees
Mr. Sanjiv Shroff	48,00,000	9,60,000	20,82,995	78,42,995	3	01.09.20 to 31.08.23	6 Month Notice & 3 Month Salary in lieu thereof
Mr. Rahul Shroff	37,80,000	7,56,000	22,15,650	67,51,650	3	26.09.18 to 25.09.21	6 Month Notice & 3 Month Salary in lieu thereof
Mr. Ameya Shroff	33,00,000	15,60,000	11,75,004	60,35,004	3	01.08.19 to 31.07.22	6 Month Notice & 3 Month Salary in lieu thereof

8. Stakeholders' Relationship Committee

In compliance with requirements of the Listing Regulations and provisions of Section 178 of the Act, the Company has a Stakeholders' Relationship Committee. As on March 31, 2021, the Committee comprises 3 members of whom 1 is Executive Director and 2 are Non-Executive Directors. Mr. Narayan Shroff, Non-Executive, Independent Director is the Chairman of the Committee. The Company Secretary of the Company acts as a secretary to the Committee.

Mr. K. L. Sonthalia who was the chairman of the Stakeholders' Relationship committee passed away on November 21, 2020 and subsequently during the period under review the committee was reconstituted by Board of Directors in their meeting held on February 10, 2021 and Mr. Narayan Shroff was inducted as the chairperson to the committee. Also, Mr. Ram Niwas Sharma who was already a member of the Stakeholders' Relationship Committee was re-designated as Independent Director of the company with the approval of shareholders via postal ballot with effect from February 10, 2021.

During the financial year 2020-2021, the Stakeholders' Relationship Committee met 4 times i.e. on June 26, 2020; August 26, 2020; November 09, 2020; and February 10, 2021. The composition of the Committee as on March 31, 2021 and the attendance of members at the meetings held during the financial year 2020-2021, are given below:

Name of Member	Category	No. of Meetings held during Tenure	No. of Meetings attended
Mr. K. L. Sonthalia Chairman*	Independent Director	3	2
Mr. Narayan Shroff Chairman**	Independent Director	0	0
Mr. Sanjiv Shroff Member	Executive Director	4	4
Mr. R. N. Sharma Member^	Independent Director	4	4

*Mr. K.L. Sonthalia ceased to be Chairman of the committee due to his death on November 21, 2020.

**Mr. Narayan Shroff was inducted to the committee and was appointed as the chairperson of the Stakeholders' Relationship Committee in the Board Meeting held on February 10, 2021.

^Mr. R. N. Sharma was re-designated as the Independent Director of the company with the approval of shareholders via postal ballot w.e.f. February 10, 2021. However Mr. R. N. Sharma was already a member of the Stakeholders' Relationship committee.



Compliance Officer

Mr. Vimal Tank was the Company Secretary and Compliance officer of the Company till April 30, 2020. On his resignation Mr. Chirag Gupta was appointed as the Compliance Officer of the Company for complying with the requirements of the Listing Regulations and applicable laws.

Investors Complaints received and resolved during the year

During the financial year 2020-2021, the Complaints and queries received by the Company are general in nature, including issues relating non - receipt of dividend warrants, Annual Reports, etc. All the complaints were resolved to the satisfaction of shareholders and no complaint was pending as on March 31, 2021.

Details of Investor complaints received during the financial year 2020-2021 are as follows:

Quarter ended on	No. of Complaints received	No. of Complaint Resolved	No. of Complaints Pending
30.06.2020	0	0	-
30.09.2020	1	1	-
31.12.2020	1	1	-
31.03.2021	0	0	-
Total	2	2	-

Note: The above table also includes the complaint received through SEBI Scores.

Terms of reference

The terms of reference of the Stakeholders Relationship Committee, inter alia, include the following:

- Resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, issue of new/duplicate share certificates, etc.
- Review of measures taken for effective exercise of voting rights by shareholders.
- Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.
- Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.

9. Corporate Social Responsibility (CSR) Committee

In compliance with the requirements of the Act, the Company has a Corporate Social Responsibility (CSR) Committee.

As on March 31, 2021, the Committee comprises of 3 members of whom 2 are Independent Directors and 1 is Executive Director. Mr. Ram Niwas Sharma, Independent Director, is the Chairman of the Committee. The Company Secretary acts as a secretary to the Committee. Mr. K. L. Sonthalia who was the chairman of the committee passed away on November 21, 2020 and Mr. R. N. Sharma was appointed as the chairman and Mr. Ramadoss Srinivasan was inducted as the member to the committee by the Board of Directors in their Meeting held on February 10, 2021. Further, Mr. R. N. Sharma was also re-designated as Independent Director of the company with the approval of shareholders via postal ballot with effect from February 10, 2021. On the recommendation of the CSR Committee, the Board had approved the Corporate Social Responsibility Policy (**CSR Policy**) of the Company which is also available on the website of the company at <https://www.reliancechemotex.com/reports/code-of-conduct-and-policies/>.

The CSR Committee met once during the year on June 26, 2020. The table below provides the attendance of CSR Committee members;



Name of Member	Category	No. of Meetings held during Tenure	No. of Meetings attended
Mr. K. L. Sonthalia Chairman*	Independent Director	1	0
Mr. R. N. Sharma Chairman**	Independent Director	1	1
Mr. Rahul Shroff Member	Executive Director	1	1
Mr. Ramadoss Srinivasan Member^	Independent Director	0	0

*Mr. K.L. Sonthalia ceased to be Chairman of the committee due to his death on November 21, 2020.

**Mr. R. N. Sharma was appointed as the chairperson of the CSR Committee in the Board Meeting held on February 10, 2021. Also Mr. R. N. Sharma was re-designated as Independent Director of the company with the approval of shareholders via postal ballot with effect from February 10, 2021. However Mr. Ram Niwas Sharma was already a member of the Stakeholders' Relationship Committee.

^ Mr. Ramadoss Srinivasan was inducted as the member of the committee in the Board Meeting held on February 10, 2021.

10. FINANCE COMMITTEE

For various day-to-day requirements and to facilitate seamless operations, the Company has formed a functional Committee known as the Finance Committee. The Committee meets as and when deems necessary to cater to the day-to-day requirements of the Company. The committee normally discusses the matter like acceptance of sanction letters from Banks, to execute the required documents in respect of loan/ limits granted by banks and for approval of any other financial decisions, etc. The committee was reconstituted on February 10, 2021 due to death of Mr. Kishori Lal Sonthalia who was the member of the committee and Mr. Ram Niwas Sharma was inducted as the member to the Committee with effect from February 10, 2021. Also Mr. Ram Niwas Sharma was re-designated as the Independent Director of the company with effect from February 10, 2021 with the approval of shareholders via postal ballot. The committee met 8 times during the FY 2020-2021 on June 26, 2020; July 13, 2020; July 23, 2020; August 26, 2020; November 09, 2020; November 27, 2020; February 10, 2021 and March 24, 2021.

The table below provides the attendance of Committee members:

Name of Member	Category	No. of Meetings held during Tenure	No. of Meetings attended
Mr. Sanjiv Shroff	Executive Director	8	8
Mr. Rahul Shroff	Executive Director	8	8
Mr. K. L. Sonthalia*	Independent Director	5	5
Mr. Ram Niwas Sharma**	Independent Director	2	0

*Mr. K.L. Sonthalia ceased to be the member of the committee due to his death on November 21, 2020.

**Mr. Ram Niwas Sharma was appointed as the member of the Finance Committee in the Board Meeting held on February 10, 2021. Also Mr. Ram Niwas Sharma was re-designated as Independent Director of the company via postal Ballot dated Feb 10, 2021.



11. GENERAL BODY MEETINGS

The details of last three Annual General Meetings are as follows:

Year	Time, Day, Date & Location	Summary of Special Resolutions
2019-20 (42 nd AGM)	10:15 A.M. (IST) September 28, 2020 (Monday) Via Video Conferencing Mode hosted at the registered office of the company situated at Village Kanpur, Udaipur -313003	<ul style="list-style-type: none"> Re-appointment of Mr. Sanjiv Shroff as the Managing Director of the Company.
2018-19 (41 st AGM)	10:30 A.M. (IST) September 07, 2019 (Saturday) at Alka Hotel, Near Shastri Circle, Udaipur (Raj.) 313001	<ul style="list-style-type: none"> To re-appoint Shri Ramadoss Srinivasan as an Independent Director of the company. To re-appoint Shri Kishori Lal Sonthalia as an Independent Director of the company To re-appoint Shri Narayan Shroff as an Independent Director of the company To re-appoint Shri Ameya Shroff as an whole time Director designated as Executive Director of the company Revision in the terms of payment of remuneration to Shri Rahul Shroff, Executive Director Revision in the terms of payment of remuneration to Shri Sanjiv Shroff, Managing Director To authorize the board under Section 62(3) of Companies Act, 2013
2017-18 (40 th AGM)	10:30 A.M. (IST) September 10, 2018 (Monday) at Alka Hotel, Near Shastri Circle, Udaipur (Raj.) 313001	<ul style="list-style-type: none"> To consider continuous appointment of Mr. Kishori Lal Sonthalia as an Independent Director of the company To consider continuous appointment of Mr. Narayan Shroff as an Independent Director of the company To re-appoint Mr. Rahul Shroff (DIN: 02301693) as Executive Director of the company

Postal Ballot

The Company had passed Special Resolution through postal ballot / e-voting dated February 10, 2021 for:

- Re-appointment of Mr. Rahul Shroff (DIN: 02301693) as Whole time Director designated as Executive Director of the Company
- Revision in the terms of appointment of Mr. Sanjiv Shroff (DIN: 00296008), Managing Director of the Company
- Revision in the terms of appointment of Mr. Ameya Shroff, (DIN: 05315616) Executive Director
- Appointment of Mr. Ram Niwas Sharma (DIN: 00368947) as an Independent Director of the Company



Details of Voting Pattern

Based on the Scrutinizers' Report, the details of voting pattern in respect of the Special Resolutions is as under:

Details of Resolution	Number of valid votes	Votes cast in favour of the Resolution (no. & %)	Votes cast against The resolution (no. & %)
Re-appointment of Mr. Rahul Shroff (DIN: 02301693) as Whole time Director designated as Executive Director of the Company	55,60,203	55,60,203 (100.00%)	0.00%
Revision in the terms of appointment of Mr. Sanjiv Shroff (DIN: 00296008), Managing Director of the Company	55,60,053	55,60,053 (100.00%)	0.00%
Revision in the terms of appointment of Mr. Ameya Shroff, (DIN: 05315616) Executive Director	55,60,053	55,60,053 (100.00%)	0.00%
Appointment of Mr. Ram Niwas Sharma (DIN: 00368947) as an Independent Director of the Company:	55,60,053	55,60,053 (100.00%)	0.00%

Person Conducting the Postal Ballot / E-voting

Mr. Sanjiv Shroff, Managing Director or Mr. Rahul Shroff or Mr. Ameya Shroff, Wholetime Director(s) or Mr. Chandrasekaran Rajagopalan or Mr. Chirag Gupta, Company Secretary was appointed as persons responsible for postal ballot / e-voting process. Mr. Manoj Maheshwari of M/s V. M. & Associates, Company Secretaries, Jaipur was appointed as the scrutinizer for conducting the e-voting process in a fair and transparent manner. Mr. Manoj Maheshwari conducted the e-voting process and submitted his report to the Company.

Procedure Followed for Postal Ballot / E-voting

- In terms of the provisions of Section 110 and other applicable provisions, if any, of the Act read with Rule 20 and 22 of The Companies (Management and Administration) Rules, 2014 ("the Rules") and Regulation 44 of the Listing Regulations (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and in accordance with the guidelines prescribed by the Ministry of Corporate Affairs ("MCA") for holding general meetings/ conducting postal ballot process through e-voting vide General Circular Nos. 14/2020 dated April 8, 2020, 17/2020 dated April 13, 2020, 22/2020 dated June 15, 2020, 33/2020 dated September 28, 2020 and 39/2020 dated December 31, 2020 ("MCA Circulars"), approval of the resolution via postal ballot was done by way of electronic voting only. Due to COVID 19 pandemic, sending of physical postal ballot was disposed off by the MCA with the circulars above.
- The Company sent the e-mail to the shareholders for postal ballot notice, dated February 10, 2021, containing resolutions together with the explanatory statements, to the members whose names appeared in the register of members / list of beneficiaries as on cut-off date i.e. Friday, February 19, 2021. The Company also published a notice in the newspaper as mandated under the Companies Act, 2013 and applicable rules on February 23, 2021.

The Company engaged the services of NSDL for the purpose of providing e-voting facility. The e-voting commenced on Tuesday, February 23, 2021 at 9.00 A.M. (IST) and get ends on Wednesday, March 24, 2021 at 5.00 P.M. (IST). All the instructions related to e-voting were mentioned in the postal ballot notice. After due scrutiny of all the e-voting received upto the close of working hours on Wednesday, March 24, 2021, scrutinizer submitted his report on Thursday, March 25, 2021.
- The result of the postal ballot was declared on Friday, March 26, 2021. In terms of provisions of Secretarial Standard-2, the last day of e-voting has been taken as the date of passing the resolution.
- The result of e-voting was placed at the website of the Company at www.reliancechemotex.com, besides being communicated to Stock Exchanges and Registrar and Share Transfer Agent.



Any Special Resolution is proposed to be conducted through postal Ballot: No

Green Initiatives by MCA

In compliance with the provisions of Section 20 of the Act, the Company proposes to send all correspondences / communications through email to those shareholders, who have registered their email id with their depository participants/Company's registrar and share transfer agent. In case the shareholders desire to receive printed copy of such communications, they may send requisition to the Company. The Company will forthwith send a printed copy of the communication to the respective shareholder.

12. Means of Communication

The quarterly, half yearly financial results along with Statement of Assets and Liabilities and annual audited financial results of the Company have been sent to the Stock Exchange immediately after they are approved by the Board of Directors. The results are normally published in Financial Express (English) and Jai Rajasthan (Hindi). Financial Results and Share holding Pattern are also available at Company's website at www.reliancechemotex.com. Further Press Release and Investor Presentation, if any are also displayed on Company Website at www.reliancechemotex.com.

13. General Shareholder Information

1.	Annual General Meeting Date, Time and Venue	August 16, 2021 (Monday) at 10:45 A.M.(IST) through video conferencing to be hosted at registered office of the company situated at Village Kanpur, Udaipur (Raj.) 313003
2.	Financial Year	The Company has adopted the financial year of 12 months ending in March every year.
3.	Dividend payment date	The final dividend, if approved by shareholders in the ensuing Annual General meeting, will be made payable within 30 days of date of declaration i.e. August 16, 2021.
4.	Book closure date	August 10, 2021 (Tuesday) till August 16, 2021 (Monday)
5.	Name and address of the Stock Exchange	The shares of the company are listed on BSE Ltd, 25 PJ Tower, Dalal Street, Mumbai, The Annual Listing Fees for the Financial Year 2021-22 has been paid on 26.04.2021
6.	Stock Code	503162
7.	Registrar and Share Transfer Agent	M/s Big share Services Pvt. Ltd.
8.	Share Transfer System	Pursuant to the changes made in Regulation 40 of Listing Regulation, the transfer of securities shall not be processed unless the securities are held in dematerialized form.
9.	Dematerialization of Shares and Liquidity	The shares of the Company are compulsorily traded in Dematerialized form and are available for trading with both the depositories i.e. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). The shareholders can hold the Company's shares with any of the depository participants, registered with these depositories. ISIN for the Company's shares is INE750D01016. As on March 31, 2021, approximately 97% of the company's equity shares are in electronic format. The Company's equity shares are frequently traded at the BSE Limited.



10.	Outstanding GDRs/ADRs/Warrants or any Convertible Instruments, Conversion date and	Nil
11.	Plant Location	Village Kanpur, Post Box No.73, Dist. Udaipur-313003
12.	Address for Correspondence	<p>Registered Office : Reliance Chemotex Industries Limited Post Box No.73, Village: Kanpur Dist.: Udaipur-313003 (Raj.) Ph. No. 0294-2490488, 2491489, 2491490 Fax No. : 0294-2490067 E-mail: cs@reliancechemotex.com Website: www.reliancechemotex.com</p> <p>Registrar & Share Transfer Agent : M/s Big share Services Pvt. Ltd. E-2 & 3 Ansa Industrial Estate, Saki Vihar Road Saki Naka, Andheri (E), Mumbai-400072 Ph. No. 28470652, 40430200 Fax: 28475207 E-mail: info@bigshareonline.com</p>

b) Tentative Calendar for the Financial Year ending March 31, 2022

The tentative dates for Board Meeting consideration of quarterly/half yearly/Yearly financial result are as follows.

S.No.	Particular of Quarter	Tentative dates
1	First Quarter Result	On or before August 14, 2021
2	Second Quarter & Half yearly Result	On or before November 14, 2021
3	Third Quarter & Nine Months Result	On or before February 14, 2022
4	Fourth Quarter & Annual Audited Result	On or before May 30, 2022

14. Market Price Data:

Monthly high/ low market price of the company's Equity Shares traded on BSE Limited and performance in Comparison to BSE Sensex are as follows:

(Amount in Rs. per Share)

RCIL Share Data			BSE Sensex	
Month	High Price	Low Price	High Price	Low Price
Apr-20	69.90	41.10	33,887.25	27,500.79
May-20	65.00	50.65	32,845.48	29,968.45
Jun-20	73.60	55.00	35,706.55	32,348.10
Jul-20	78.00	56.50	38,617.03	34,927.20
Aug-20	87.20	61.70	40,010.17	36,911.23
Sep-20	72.85	61.05	39,359.51	36,495.98
Oct-20	63.90	47.95	41,048.05	38,410.20
Nov-20	67.70	54.35	44,825.37	39,334.92
Dec-20	77.90	60.30	47,896.97	44,118.10
Jan-21	100.90	70.15	50,184.01	46,160.46
Feb-21	81.30	71.50	52,516.76	46,433.65
Mar-21	99.00	73.00	51,821.84	48,236.35



15. Distributions of Shareholding as on March 31, 2021 are as under:

i) According to category of holding:

Category	No. of Shareholders*	No. of Shares held	% of Shareholding
Clearing Members	20	4,337	0.05%
Corporate Bodies	40	1,11,858	1.48%
IEPF	1	1,93,287	2.56%
Nationalized Banks	1	150	0.00%
Non-Resident Indians	58	60,844	0.81%
Promoters and Promoter group	13	54,80,719	72.65%
Other Directors	3	300	0.00%
Public	8,012	16,91,068	22.42%
Trusts	1	1,000	0.01%
Total	8,149	75,43,563	100.00

*The above shareholders is consolidated on the basis of PAN to avoid multiple disclosures of shareholding of the same person.

ii) According to Number of Equity Shares:

Category	No. of Shareholders*	% of Shareholders	No. of Shares held	% of Shareholding
1-500	7,999	96.57%	6,11,503	08.10%
501-1000	153	01.85%	1,25,979	01.67%
1001-5000	79	00.95%	1,58,631	02.10%
5001-10000	18	00.22%	1,30,947	01.73%
Over 10000	34	00.41%	65,16,503	56.38%
Total	8,283	100.00%	75,43,563	100.00%

*The shareholding is consolidated on the folio number.

16. Status of Dividend Declared

Pursuant to the provisions of Section 124 and 125 of the Act, read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer & Refund) Rules, 2016 (IEPF Rules), the dividend which remains unclaimed/ 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) established by the Central Government. During the period under review the company has transferred the unclaimed dividend amount for the financial year 2012-13 and also the interim dividend declared in 2013-14 on the respective due date on the Investor Education and Protection Fund (IEPF) administered by Central Government. Members may visit the Company's website <https://www.reliancechemotex.com/reports/financial-reports/> for tracking the details of unclaimed/ unpaid amounts already transferred/ pending for transfer to IEPF. Further, shares of the company in respect of which dividend has not been claimed for seven consecutive years or more from the date of transfer to unpaid dividend, have also transferred to the demat account of IEPF authority. After completion of seven years, no claims shall lie against the said fund or against the Company for the amounts of Dividend so transferred nor shall any payment be made in respect of such claims under the Act. The Act further provides for claiming such Dividends from the Central Government.



Status of the unclaimed / unpaid dividend amount is as under:

SR.NO	FINANCIAL YEAR	UNCLAIMED AMOUNT (Rs.)	DUE DATE FOR TRANSFER TO IEPF ACCOUNT
1	2013-14 (Final Dividend)	93,069	03-11-21
2	2014-15	4,10,999	31-10-22
3	2015-16	3,33,188	18-10-23
4	2016-17	3,65,974	02-10-24
5	2017-18	2,31,560	12-10-25
6	2018-19 (Final Dividend @ Rs. 1 per share)	2,00,868	12-10- 26
	2018-19 (Special Dividend @ Rs. 0.50 Per shares)	1,00,330	12-10-26
7	2019-20	1,92,330	02-11-27

17. Disclosure Of Commodity Price Risks Or Foreign Exchange Risks And Commodity Hedging Activity:

The Company is exporter of yarn and has natural hedging for its foreign currency exposures.

18. Disclosures pertaining to credit rating:

As on March 31, 2021, the Company was rated by one domestic rating Agency, namely, Investment Information and Credit Rating Agency Limited (ICRA). As on March 31, 2021, ICRA rating for Long term borrowing is BBB- with stable outlook.

19. OTHER DISCLOSURES

- i. **Code for prevention of Insider Trading:** In compliance with the SEBI Regulations on prohibition of Insider Trading, the Company has systems and procedures to prohibit insider trading activity and has formulated a Code on Insider Trading ('Code') for designated persons who may have access to the Company's price sensitive information. The Company follows highest standards of transparency and fairness in dealing with all stakeholders and ensures that no insider shall use his or her position with or without knowledge of the Company to gain personal benefit or to provide benefit to any third party.
- ii. During the year, there were no materially significant transactions other than those as set out in financial statement of the Annual Report, if any.
- iii. No penalties or Strictures have been imposed on the Company by the Stock Exchange or SEBI or any Statutory Authority on any matter related to Capital Markets for non-Compliance by the Company during the last three years.
- iv. The Company has Vigil Mechanism/ Whistle Blower Policy the same was posted on the Company website at <https://www.reliancechemotex.com/reports/code-of-conduct-and-policies/>. The detailed disclosure on the policy is else wherein the Board's Report forming part of the annual report. Further, no personnel has been denied access to the Audit Committee.
- v. The company has complied with all the requirements of the Listing Regulations. Also, the entire mandatory requirement has been appropriately complied with and has ensured the implementation of non-mandatory item such as:-
 - Unmodified audit opinions / reporting;
 - persons to the post of chairman and MD, etc.
- vi. web link:
 - Familiarization programme for Independent Directors <https://www.reliancechemotex.com/reports/grievance-management/>
 - Related party transaction policy <https://www.reliancechemotex.com/reports/code-of-conduct-and-policies/>
 - Material Subsidiary: NA
- vii. There have not been any significant changes in the accounting policies during the year.



- viii. No Pecuniary relationship or transaction of the Non-Executive Directors.
- ix. There is no such Fund raised through Preferential Allotment or Qualified Institutional Placement in accordance with the Regulation 32(7a) of Listing Regulations.
- x. The certificate required under Regulation 17(8) of the Listing Regulations, duly signed by the Managing Director and Chief Financial Officer of the company which was placed before the Board is annexed to this report as **Annexure B**.
- xi. Certificate from M/s V. M. & Associates, Company Secretaries has been obtained which is forming part of the annual report as **Annexure C** confirming that none of the directors on the Board of the Company has been disqualified.
- xii. Total fees for all services paid by the Company and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/ network entity of which the statutory auditor is a part is given below:

(Rs. in Lakh)

Payment to Statutory Auditors	FY 2020-2021
Audit Fees	7.00
Tax Audit Fees	2.44
Other Services	1.60
Reimbursement of expenses	-
Total	11.04

- xiii. Disclosure in relation to Sexual harassment of Women at Workplace (Prevention, prohibition and Redressal) Act, 2013 is forming part of Board's report forming part of this annual report.
- xiv. The Company has complied with all the requirements in regards to the extent possible under Sub paras (2) to (10) of Para C to Schedule V of the Listing Regulations.
- xv. The code of conduct has been circulated to all the members of the Board and Senior Management Personnel and they have affirmed their compliance with the said code of conduct for the financial year ended on March 31, 2021. A declaration to this effect signed by Mr. Sanjiv Shroff, Managing Director of the Company stating that the members of Board of Directors and Senior Management Personnel have affirmed compliance with the code of conduct of Board of Directors and senior management is annexed as **Annexure A** to the Corporate Governance Report.
- xvi. The Company is in compliance with the requirements stipulated under Regulation 17 to 27 read with Schedule V and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), as applicable, with regard to corporate governance. The company has obtained the certificate from Jain Pramod Jain & Co., Chartered Accountants, Statutory Auditors of the Company and is annexed to the report as **Annexure - D**

FOR AND ON BEHALF OF BOARD OF DIRECTORS
FOR RELIANCE CHEMOTEX INDUSTRIES LIMITED

Place: Mumbai
Date: June 21, 2021

(Sanjiv Shroff)
Managing Director
DIN: 00296008

(Rahul Shroff)
Executive Director
DIN: 02301693



Annexure A

Declaration affirmation compliance with code of conduct

We hereby confirm that the Company has received from all the members of the Board and Senior Management, for the financial year ended on March 31, 2021, a confirmation that they are in compliance with Company's Code of Conduct.

For Reliance Chemotex Industries Limited

Place: Mumbai
Date: June 21, 2021

(Sanjiv Shroff)
Managing Director
DIN: 00296008

Annexure B

CEO & CFO CERTIFICATION

To,

The Board of Directors

RELIANCE CHEMOTEX INDUSTRIES LTD

We, to the best of our knowledge and belief, certify that;

1. We have reviewed the financial statements and the cash flow statement for the period ended 31st March, 2021 and that of the best of our knowledge and belief;
 - (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.
2. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violation the Company's code of conduct.
3. We accept responsibility for establishing and maintaining internal controls for financial reporting and have evaluated the effectiveness of internal control systems of the Company and have disclosed to the auditors and the audit committee, deficiencies in the design or operations of internal controls, pertaining to financial reporting, if any, of which we are aware and the steps we have taken, propose to take to rectify these deficiencies.
4. We have indicated to the auditors and the audit committee;
 - (i) Significant changes in internal controls for financial reporting, during the period;
 - (ii) Significant changes in accounting policies during the period and that the same have been disclosed in the Notes to the Financial Statements, and
 - (iii) Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management of an employee having a significant role in the Company's internal control system over financial reporting.

Place: Mumbai
Dated: June 21, 2021

(Chandrasekaran Rajagopalan)
Chief Financial Officer

(Sanjiv Shroff)
Managing Director



CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

To,

The Members,
Reliance Chemotex Industries Ltd
Village Kanpur, Post Box No.73
Udaipur-313003 (Rajasthan)

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Reliance Chemotex Industries Ltd** having **CIN: L40102RJ1977PLC001994** and having registered office at **Village Kanpur, Post Box No.73, Udaipur-313003 (Rajasthan)** (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ended on 31st March, 2021 have 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 the Director	DIN
1.	Nand Gopal Khaitan	00020588
2.	Dipika Shroff	00226941
3.	Ramadoss Srinivasan	00235831
4.	Sanjiv Shroff	00296008
5.	Ram Niwas Sharma	00368947
6.	Rahul Shroff	02301693
7.	Narayan Shroff	05207412
8.	Ameya Shroff	05315616
9.	*Kishori Lal Sonthalia	00899958

* ceased from the directorship of the Company w.e.f. November 21, 2020

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

Place: Jaipur
Date: : June 21, 2021
UDIN:F009985C000490993

For V. M. & Associates
Company Secretaries
(ICSI Unique Code P1984RJ039200)
PR 581/2019
CS Vikas Mehta
Partner

FCS 9985
CP No. 12789



Independent Auditors' Certificate on compliance with the conditions of Corporate Governance as per provisions of Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

To
The Members
Reliance Chemotex Industries Limited
Village Kanpur
Udaipur, (Rajasthan)
Pin: 313003

1. We have examined the compliance of regulations of Corporate Governance by **Reliance Chemotex Industries Limited** ('the Company') for the year ended March 31st 2021 as stipulated in regulations 17 to 27, 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 (the 'Listing Regulations').

Management's Responsibility

2. The preparation of the Corporate Governance Report is the responsibility of the Management of the Company including the preparation and maintenance of all relevant supporting records and documents. This responsibility also includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Corporate Governance Report.
3. The management along with the Board of Directors are also responsible for ensuring compliance with the conditions of Corporate Governance as stipulated in the Listing Regulations, issued by the Securities and Exchange Board of India.

Auditors' Responsibility

4. Our responsibility is to provide a reasonable assurance that the Company has complied with the conditions of Corporate Governance, as stipulated in the Listing Regulations.
5. We conducted our examination of the Corporate Governance Report in accordance with Guidance Note on Reports or Certificates for Special Purposes and the Guidance Note on Certification of Corporate Governance, both issued by the institute of Chartered Accountants of India ("ICAI"). The Guidance Note on Reports or Certificates for Special Purposes requires that we comply with the ethical requirements of the Code of Ethics issued by ICAI.
6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.
7. The procedures selected depend on the auditors' judgment, including the assessment of the risks associated in compliance of the Corporate Governance Report with the applicable criteria. The procedures include, but not limited to, verification of secretarial records and financial information of the Company and obtain necessary representations and declarations from directors including independent directors of the Company.
8. The procedures also include examining evidence supporting the particulars in the Corporate Governance Report on a test basis. Further, our Scope of work under this report did not involve us performing audit tests for the purposes of expressing an opinion on the fairness or accuracy of any of the financial information or the financial statements of the Company taken as whole.

Opinion

9. Based on the procedures performed by us as referred in paragraph 7 and 8 above and according to the information and explanations given to us and considering the relaxations granted by the Ministry Of Corporate Affairs And Securities And Exchange Board Of India warranted due to the spread of COVID-19 pandemic, we are of the opinion that the Company has complied with the conditions of Corporate Governance as stipulated in the Listing regulations, as applicable for the year ended March 31, 2021 referred to in paragraph 1 above.

Other matters and Restriction on Use

10. This Certificate in 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.
11. The Certificate is addressed to and provided to the members of the Company solely for the purpose of enabling it to comply with its obligations under the Listing Regulations and should not be used by any other persons or for any other purpose. Accordingly, we do not accept or assume any liability or any duty or care or for any other purpose or to any other party to whom it is shown or into whose hand it may come without our prior consent in writing. We have no responsibility to update this Certificate for events and circumstances occurring after the date of this Certificate.

For **Jain Pramod Jain & Co.**
Chartered Accountants
(Firm Registration No. 016746 N)

Place: New Delhi
Date: 21.06.2021
UDIN :21010479AAAAV7304

P.K. Jain
Partner
Membership No. 010479



Independent Auditors' REPORT To the Members of Reliance Chemotex Industries Ltd. Report on the Audit of the Annual Ind AS Financial Statements

Opinion

We have audited the accompanying Annual Ind AS financial statements of **Reliance Chemotex Industries Limited** ("the Company"), which comprise the Balance sheet as at March 31, 2021, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the statement of Changes in Equity for the year ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

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

Basis for Opinion

We conducted our audit of the Annual Ind AS financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Annual Ind AS Financial Statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Annual Ind AS 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 Annual financial statements of the current period. These matters were addressed in the context of our audit of the Annual financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibility for the audit of the Annual Ind AS financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our

assessment of the risks of material misstatement of the Annual Ind AS financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying Annual Ind AS financial statements.

Sr.No.	Key Audit Matters	Auditors Response
1.	<p>Valuation of Trade Receivable</p> <p>Trade receivables is a significant item in the Company's financial statements as at March 31, 2021 and assumptions used for estimating the credit loss on receivables is an area which is determined by management's judgment.</p> <p>The Company makes an assessment of the estimated credit losses on trade receivables based on credit risk, project status, past history, latest discussion / correspondence with the customer.</p> <p>Given the significance of these receivables in the financial statements as at 31st March, 2021, we determined this to be a key audit matter.</p>	<p>Our audit procedure included, among others:</p> <ul style="list-style-type: none"> Evaluated the accounting policy of the company. Inquired with senior management regarding status of collectability of the receivable. Amount recovered subsequent to the Balance Sheet date. Assessed the information/assumptions used by the Management to determine the expected credit losses by considering credit risk of the customer, cash collection, and the level of credit loss over time; <p>Based on our work as stated above, no significant deviations were observed in respect of management's assessment of valuation of trade receivables</p>

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

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report 2020-21. Our opinion on the Annual Ind AS 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 Annual Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the Annual Ind AS financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.



Responsibilities of Management for the Annual Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Annual Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with [the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Annual Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Annual Ind AS financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Annual Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the Annual Ind AS financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Annual Ind AS 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 Annual Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls 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 Annual Ind AS financial statements, including the disclosures, and whether the Annual Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Annual Ind AS financial statements



for the financial year ended March 31, 2021 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "**Annexure A**" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account
 - d) In our opinion, the aforesaid Ind AS financial statements comply with the Indian Accounting Standards prescribed under section 133 of the Act.
 - e) On the basis of the written representations received from the directors as on 31st March, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2021 from being appointed as a director in terms of Section 164(2) of the Act.

- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure B**".
- g) In our opinion, Managerial remuneration for the year ended 31.03.2021 has been paid /provided by the company to its director in accordance with the provisions of section 197 read with schedule V to the Act
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its Ind AS financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For Jain Pramod Jain & Co.
Chartered Accountants
(Firm Registration No. 016746N)

Place: New Delhi
Date: 21.06.2021

(P.K.JAIN)
Partner
M No.010479
UDIN : 21010479AAAAAU8753



Annexure 'A' to Independent Auditors' Report

Annexure 'A' to Independent Auditors' Report of Reliance Chemotex Industries Limited (Referred to in Paragraph 1 under the heading of "Report on Other Legal and Regulatory Requirements" of our report of even date)

- i. (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets;
- (b) Fixed assets have been physically verified by the management according to the regular programme of periodical verification in phased manner designed to cover all items over a period of 3 years, which in our opinion is reasonable having regard to the size of the company and the nature of its fixed assets. No material discrepancies were noticed on such verification;
- (c) The title deeds of immovable properties are held in the name of the company.
- ii. The inventories of the Company at all its locations (except stock in transit) have been physically verified by the management at reasonable intervals and the discrepancies which were noticed on physical verification of inventory as compared to book records were not material;
- iii. The Company has not granted any loan to companies, firms, or other parties covered in the Register maintained under section 189 of the Act. Therefore the provisions of clause 3 (iii) of the order are not applicable to the company and hence not commented upon.
- 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 Companies Act, 2013 with respect of loans, investments, guarantees and securities.
- v. The Company has not accepted any deposit from public.
- vi. We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under Section 148(1) of the Companies Act, 2013 and are of the opinion that, prima-facie, prescribed accounts and records have been made and maintained. We have, however, not made a detailed examination of the said records with a view to determine whether they are accurate and complete;
- vii. (a) According to the information and explanations and records of the Company, the company is regular in depositing undisputed statutory dues including Provident Fund, Employees' State Insurance, Income tax, Sales tax, Goods and Services Tax, Custom Duty, Excise Duty, Value Added Tax, Cess and other statutory dues with the appropriate authorities. There are no arrears of outstanding statutory dues for a period of more than six months from the date they became payable as on 31st March, 2021;
- (b) According to the records and information and explanations given to us, there are no dues in respect of custom duty and Goods and Services Tax that have not been deposited on account of any

dispute. In our opinion and according to the information and explanations given to us, the dues in respect of income tax or sales tax or service tax or excise duty or value added tax that have not been deposited with the appropriate authority on account of dispute and the forum where the dispute is pending are given below:

Name of Statute	Nature of dues	Amount involved in Rs.	Period to which it relates to (Year ended)	Forum where matter is pending
Service Tax Act	Service Tax	2,40,837	16.07.2017 to 16.10.2018	The Asst. commissioner Central Excise, Udaipur
Central Excise Act	Excise Duty	23,567	F.Y 2001-2002	The Asst. Commissioner Central Excise, Udaipur
Central Excise Act	Excise Duty	60,73,552	F.Y 2012-13 to 2015-16	CESTAT (Department Appeal)

- viii. The Company has not defaulted in repayment of loans or borrowings to a financial institution, banks or government.
- ix. In our opinion the term loans have been applied for the purpose for which the loans were raised,
- x. Based upon the audit procedure performed and information and explanation given to us, we report that no fraud by the company or any fraud on the company by its officers or employees has been noticed or reported during the course of our audit.
- xi. Managerial Remuneration has been paid or provided in accordance with the requisite approvals mandated by the provision of Section 197 read with schedule V of the Companies Act, 2013.
- xii. Provision of Nidhi Company is not applicable to the Company.
- xiii. According to the information and explanation give to us and based on our examination of the records of the company, all transactions with the related parties are in compliance with Section 177 and 188 of the Companies Act, 2013 and the details have been disclosed in the financial statements, etc as required by the applicable accounting standard.
- xiv. The company has not made any preferential allotment or private placements of shares or fully or partly convertible debentures during the year under review.
- xv. The company has not entered into any non-cash transaction with Directors or persons connected with him.
- xvi. The company is not required to be registered under section 45-1A of the Reserve Bank of India Act 1934.

For Jain Pramod Jain & Co.
Chartered Accountants
(Firm Registration No. 016746N)

Place: New Delhi
Date: 21.06.2021

(P.K.JAIN)
Partner

M No.010479

UDIN : 21010479AAAAAU8753



Annexure B to the independent Auditors' report of even date on the Financial Statement of Reliance Chemotex Industries Limited

Report on the Internal Financial Controls under Clause (i) of sub-section 3 of section 143 of the Companies Act, 2013

We have audited the internal financial controls over financial reporting of **Reliance Chemotex Industries Limited** as at March 31, 2021 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with Guidance note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143 (10) of the Companies Act 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those standards and the Guidance Note require that we Comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate Internal financial controls over financial 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 and understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statement, 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 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 details, accurately and fairly reflect the transactions and disposition of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statement 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 financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitation of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and may not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

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

For Jain Pramod Jain & Co.
Chartered Accountants
(Firm Registration No. 016746N)

Place: New Delhi
Date: 21.06.2021

(P.K. JAIN)
Partner

M No.010479

UDIN : 21010479AAAAAU8753



BALANCE SHEET
AS AT 31ST MARCH 2021

PARTICULARS	NOTE NO.	As at 31.03.2021 (Rs. In Lakh)	AS at 31.03.2020 (Rs. In Lakh)
ASSETS			
(1) Non - current assets			
(a) Property, Plant and Equipment	1	10,882.86	9,524.49
(b) Capital Work in Progress	1	130.55	594.66
(c) Investment - Property	2	207.02	210.72
(d) Other intangible assets	3	3.45	5.85
(e) Right of use assets	4	3,730.30	3,868.46
(f) Financial assets			
(i) Investments	5	-	-
(ii) Loans (Deposit)	6	460.15	442.04
(g) Other Non Current Assets	7	243.44	535.67
(2) Current assets			
(a) Inventories	8	4,667.15	3,505.42
(b) Financial Assets			
(i) Investments	9	10.06	-
(ii) Trade receivables	10	1,062.30	1,327.70
(iii) Cash and cash equivalents	11	31.92	76.96
(iv) Bank Balances	12	3,256.01	427.06
(v) Others	13	563.97	667.30
(c) Current tax assets (net)	14	94.15	91.15
(d) Other current assets	15	921.50	1,467.56
TOTAL ASSETS		26,264.83	22,745.04
EQUITY AND LIABILITIES			
EQUITY			
(a) Equity share capital	16	755.97	755.97
(b) Other Equity	17	9,682.91	9,056.66
LIABILITIES			
(1) Non - Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	18	3,386.04	2,853.48
(ii) Other financial liabilities	19	99.64	108.45
(b) Provisions	20	44.70	61.79
(c) Deferred tax liabilities (net)	21	2,042.87	1,873.87
(2) Current liabilities			
(a) Financial Liabilities			
(i) Borrowings	22	5,344.00	3,179.98
(ii) Trade payables	23		
- MSME		90.35	48.43
- OTHERS		1,884.44	2,741.17
(iii) Other financial liabilities	24	2,406.82	1,574.23
(b) Other current liabilities	25	448.49	413.65
(c) Provisions	26	78.60	77.36
TOTAL EQUITY AND LIABILITIES		26,264.83	22,745.04

Significant Accounting Policies and Notes to Accounts (Note No. 36 to 53)
As per our Report of even date.

For Jain Pramod Jain & Co.
Chartered Accountants
(Firm Registration No. 016746N)

P.K. JAIN
Partner
M.No. 010479
Place : New Delhi
Dated : 21.06.2021

CHIRAG GUPTA
Company Secretary
M.No. 50843

R. CHANDRASEKARAN
Chief Financial
Officer

SANJIV SHROFF
Managing Director
DIN- 00296008

RAHUL SHROFF
Executive Director
DIN - 02301693

For & On behalf of Board of Directors



STATEMENT OF PROFIT & LOSS
FOR THE YEAR ENDED 31st MARCH 2021

PARTICULARS	NOTE NO.	As at 31.03.2021 (Rs. In Lakh)	As at 31.03.2020 (Rs. In Lakh)
I Revenue from operations	27	25,562.46	29,979.46
II Other income	28	449.29	105.56
III Total income (I + II)		26,011.75	30,085.02
IV Expenses			
Cost of Materials Consumed	29	12,501.94	15,161.71
(Increase)/Decrease in Inventories of Finished Goods, Work-in-Progress etc.	30	(133.87)	424.60
Employee Benefits Expense	31	4,234.67	3,937.76
Finance Costs	32	964.80	1,132.88
Depreciation and Amortisation Expense	33	759.87	733.82
Other Expenses	34	6,648.11	7,616.88
Total expenses		24,975.52	29,007.65
V Net Profit before tax (III - IV)		1,036.23	1,077.37
VI Tax expense	35		
(1) Current Tax		170.50	381.00
(2) Mat Credit Entitlement		(24.97)	-
(3) Tax for earlier year		18.79	(0.93)
(4) Deferred Tax		178.78	(235.81)
		343.10	144.26
VII Net Profit for the year (V - VI)		693.13	933.11
VIII Other comprehensive income			
A (i) Items that will not be reclassified to (loss) or profit			
i) Remeasurement Gain/(loss) on defined benefit plan		11.86	17.64
ii) Tax (i) above		(3.29)	(4.90)
IX Total Comprehensive Income for the year (VII+VIII)		8.57	12.74
X Total Income for the year (VII+VIII)		701.70	945.85
XI Earnings per equity share			
(1) Basic		9.19	14.68
(2) Diluted		9.19	14.68

Significant Accounting Policies and Notes to Accounts (Note No. 36 to 53)
As per our Report of even date.

For Jain Pramod Jain & Co.
Chartered Accountants
(Firm Registration No. 016746N)

P.K. JAIN
Partner
M.No. 010479
Place : New Delhi
Dated : 21.06.2021

CHIRAG GUPTA
Company Secretary
M.No. 50843

R. CHANDRASEKARAN
Chief Financial
Officer

SANJIV SHROFF
Managing Director
DIN- 00296008

RAHUL SHROFF
Executive Director
DIN - 02301693

For & On behalf of Board of Directors



STATEMENT OF CASH FLOW

FOR THE YEAR ENDED 31st MARCH 2021

(Rs. in Lakh)

PARTICULARS	Current Year 31st March, 2021	Previous Year 31st March, 2020
A. CASH FLOW FROM OPERATING ACTIVITIES:		
Profit before exceptional Items and tax as per statement of profit and loss	1,036.23	1,077.37
Adjustments for:		
Depreciation and amortization expenses	759.87	733.83
Finance cost	964.80	1,132.88
Bad Debts Written off / Provision for Bad Debts	32.73	4.66
Provision for Doubtful debts written back	(18.50)	-
Interest income	(123.08)	(62.51)
Sundry Balances written back	(17.82)	(3.03)
(Profit)/ loss on sale of fixed assets (net)	14.98	(6.67)
Operating profit before working capital changes	2,649.21	2,876.53
Adjustments for:		
(Increase)/Decrease in trade & other receivables	251.17	419.32
(Increase)/Decrease in inventories	(1,161.73)	282.42
(Increase)/ Decrease in other assets	838.29	(711.27)
(Increase)/ Decrease in other financial assets	103.33	(472.83)
Increase/ (Decrease) in other current financial liabilities	832.58	(341.23)
Increase/(Decrease) in trade & other payables	(797.00)	194.28
Increase/ (Decrease) in other current liabilities	34.84	153.68
Increase/(Decrease) in provisions	(15.85)	(34.54)
Less: Direct taxes paid (net of refunds)	(18.98)	(210.50)
Net cash flows (used in)/ generated from operating activities	2,715.87	2,155.87
B CASH FLOW FROM INVESTING ACTIVITIES:		
Inflows		
Sale proceeds of property, plant and equipment	80.34	12.02
Interest received	95.60	61.29
	175.94	73.31
Outflows		
Purchase of property, plant and equipment/ intangible assets	(1,605.19)	(696.95)
Increase in Loans & Advances	(18.11)	-
Increase in Investment	(10.06)	-
Increase in Other Bank Balance (including Deposit within 3 to 12 Months Maturity)	(2,828.95)	(130.73)
	(4,462.31)	(827.68)
Net cash (used in) / generated from investing activities	(4,286.37)	(754.38)
C CASH FLOW FROM FINANCING ACTIVITIES:		
Proceeds from Issuance of Share Capital	-	356.27
Proceeds from Premium on Issuance of Shares	-	1,918.00
Proceeds / Repayment of Short Term Borrowings (net)	2,164.02	(2,178.62)
Proceeds / Repayment of Long Term Borrowings (net)	532.56	(220.04)
Repayment of Lease Liability (Principal and interest)	(89.97)	(89.97)



RELIANCE
CHEMOTEX INDUSTRIES LIMITED
CIN L40102RJ1977PLC 001994

Dividend and DDT paid on Equity Share	(70.38)	(71.99)
Dividend and DDT paid on Preference Share	-	(95.75)
Interest paid	(1,010.77)	(955.20)
Net cash (used in) / generated from financing activities	1,525.46	(1,337.28)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENT	(45.04)	64.20
Add : Cash and cash equivalent at beginning of the year	76.96	12.76
Cash and cash equivalent at end of the year	31.92	76.96

Notes:

- The cash flow statement has been prepared under the indirect method as set out in Indian Accounting Standard (Ind AS 7) statement of cash flows.
- Additions to property, plant, equipment and intangible assets include movements of capital work-in-progress and intangible assets under development respectively during the year.

Cash and Cash equivalent as per above comprises of the following

Balances with Banks

- In Current Accounts	28.20	72.34
- In Saving Accounts (against Employee's Security)	2.60	2.20
Cash on Hand	1.12	2.42
Balances as per statement of Cash Flows	31.92	76.96

The accompanying notes are an integral part of these standalone financial statements
As per our Report of even date.

For & On behalf of Board of Directors

For Jain Pramod Jain & Co.

Chartered Accountants
(Firm Registration No. 016746N)

P.K. JAIN

Partner
M.No. 010479
Place : New Delhi
Dated : 21.06.2021

CHIRAG GUPTA

Company Secretary
M.No. 50843

R. CHANDRASEKARAN

Chief Financial
Officer

SANJIV SHROFF

Managing Director
DIN- 00296008

RAHUL SHROFF

Executive Director
DIN - 02301693



Statement Of Change In Equity For The Year Ended 31st March 2021

A. Equity Share Capital

Particulars	Amount (Rs. in Lakh)
Balance at 01.04.2019	399.69
Movement during the year (Rights issued during the year)	356.28
Balance at 31.03.2020	755.97
Movement during the year	-
Balance at 31.03.2021	755.97

B. Other Equity

Particulars	Reserve and Surplus			Other Comprehensive	Total (Rs. in Lakh)
	Securities Premium	General Reserve	Retained Earning	Re-measurement Gain/(Loss) on Defined Benefit Plans	
Balance as at 31st March 2019	643.96	644.79	4,986.95	13.51	6,289.21
Profit for the year	-	-	933.11	-	933.11
Share Premium for the Year	1,959.49	-	-	-	1,959.49
Adjustment of Right to use Assets (Note 49)	-	-	-24.41	-	-24.41
Right issue expenses	-41.49	-	-	-	-41.49
Other comprehensive income for the year	-	-	-	12.73	12.73
Dividend	-	-	-71.98	-	-71.98
Balance as at 31st March 2020	2,561.96	644.79	5,823.68	26.24	9,056.67
Profit for the year	-	-	693.13	-	693.13
Other comprehensive income	-	-	-	8.56	8.56
Transfer to / from Retained Earning	-	-	34.80	-34.80	-
Dividend & Tax	-	-	-75.45	-	-75.45
Balance as at 31st March 2021	2,561.96	644.79	6,476.16	0.00	9,682.91

As per our Report of even date.

For & On behalf of Board of Directors

For **Jain Pramod Jain & Co.**
Chartered Accountants
(Firm Registration No. 016746N)

P.K. JAIN
Partner
M.No. 010479
Place : New Delhi
Dated : 21.06.2021

CHIRAG GUPTA
Company Secretary
M.No. 50843

R. CHANDRASEKARAN
Chief Financial
Officer

SANJIV SHROFF
Managing Director
DIN- 00296008

RAHUL SHROFF
Executive Director
DIN - 02301693



NOTES TO FINANCIAL STATEMENTS

Note No. 1

PROPERTY, PLANT AND EQUIPMENT

Rs. in Lakhs

	Free Hold Land	Leasehold Land	Buildings	Plant and Equipment	Furniture and Fixtures	Vehicles	Office Equipment	Total
Gross Block								
Cost as at 1st April, 2019	350.00	3,970.40	3,406.96	7,572.16	213.63	170.13	75.59	15,758.87
Additions during the year	-	-	-	128.80	2.62	22.78	3.54	157.74
Reclassified on account of adoption of Ind AS 116	-	(3,970.40)	-	-	-	-	-	(3,970.40)
Deduction/Adjustment during the year	-	-	-	23.72	0.11	21.98	0.01	45.82
Balance as at 1st April, 2020	350.00	-	3,406.96	7,677.24	216.14	170.93	79.12	11,900.39
Additions during the year	-	-	327.93	1,704.51	6.42	-	30.09	2,068.95
Deduction/Adjustment during the year	-	-	0.36	467.77	0.60	-	-	468.73
Balance as at 31st March, 2021	350.00	-	3,734.53	8,913.98	221.96	170.93	109.21	13,500.61
Accumulated Depreciation								
Balance as at 1st April, 2019	-	195.27	389.16	1,247.20	74.01	74.47	46.74	2,026.85
Depreciation for the year	-	-	134.45	391.27	22.68	28.46	7.94	584.79
Reclassified on account of adoption of Ind AS 116	-	(195.27)	-	-	-	-	-	(195.27)
Deduction/Adjustment during the year	-	-	-	20.75	-	19.73	-	40.48
Balance as at 31st March, 2020	-	-	523.61	1,617.72	96.69	83.20	54.68	2,375.90
Depreciation for the year	-	-	125.16	427.72	25.63	26.06	10.70	615.27
Deduction/Adjustment during the year	-	-	-	372.93	0.49	-	-	373.42
Balance as at 31st March, 2021	-	-	648.77	1,672.52	121.82	109.26	65.38	2,617.75
Net Block								
Balance as at 31st March, 2020	350.00	-	2,883.35	6,059.52	119.45	87.73	24.44	9,524.49
Balance as at 31st March, 2021	350.00	-	3085.76	7,241.46	100.14	61.67	43.83	10,882.86
Capital Work in Progress as at 31st Mar 2020								594.66
Capital Work in Progress as at 31st Mar 2021								130.55

Note : Preoperative Expenses allocated to Fixed Assets or lying in Capital Work in Progress includes

(Rs. In lakh)

Particulars	2020-21	2019-20
Interest on Loan	46.61	23.03
Processing Fees and Charges	21.30	5.17
Salaries and Wages	0.97	-
Total	68.88	28.20



Note No. 2

INVESTMENT PROPERTY

Particulars	Amount (Rs. in Lakh)
	Leasehold Land
Gross Block	
Cost as at 1st April, 2019	225.52
Additions during the year	-
Deduction/Adjustment during the year	-
Balance as at 31st March, 2020	225.52
Additions during the year	-
Deduction/Adjustment during the year	-
Balance as at 31st March, 2021	225.52
Accumulated Depreciation	-
Balance as at 1st April, 2019	11.10
Depreciation for the year	3.70
Deduction/Adjustment during the year	-
Balance as at 31st March, 2020	14.80
Depreciation for the year	3.70
Deduction/Adjustment during the year	-
Balance as at 31st March, 2021	18.50
Net Block	-
Balance as at 31st March, 2020	210.72
Balance as at 31st March, 2021	207.02

The Fair Value of Investment Property as at 31st March, 2021 is Rs. 662.50 Lakh (PY Rs. 651.73 Lakh) after considering the rental income from Current Lease and other assumptions that market participants would use while pricing Investment Property under current market condition.

(Rs. In lakh)

Information regarding Income and Expenditure of Investment Property	Year ended 31.03.2021	Year ended 31.03.2020
Rental Income derived from Investment Property	3.60	3.60
Less : Depreciation	3.70	3.70
Profit (Loss) arising from Investment Properties	(0.10)	(0.10)



NOTE NO. 3
INTANGIBLE ASSETS '(Computer Software)

Particulars	As at 31 st March, 2021 (Rs. In Lakh)	As at 31 st March, 2020 (Rs. In Lakh)
Gross Block		
Opening Balance	35.63	32.10
Additions during the year	0.35	3.53
Deduction/Adjustment during the year	-	-
Closing Balance	35.98	35.63
Amortisation		
Opening Balance	29.78	22.61
Amortization during the year	2.75	7.17
Deduction/Adjustment during the year	-	-
Closing Balance	32.53	29.78
Net Block	3.45	5.85

Note No. 4

Category of Right of Use Assets

	Rs. in Lakh		
Particulars	Land	Building	Total
Balance as at April 1, 2019	3,974.49	231.49	4,205.98
Additions	-	-	-
Deletion	-	-	-
Depreciation / Amortization	264.44	73.08	337.52
Balance as at April 1, 2020	3,710.05	158.41	3,868.46
Additions	-	-	-
Deletion	-	-	-
Depreciation / Amortization	65.09	73.07	138.16
Balance as at March 31, 2021	3,644.96	85.34	3,730.30



	(Rs. In lakh)	
	As at 31 st March, 2021	As at 31 st March, 2020
NOTE NO. 5		
INVESTMENTS (UNQUOTED)		
("Class A" Shares of M/s V S Lignite Power Pvt.Ltd.)		
16,74,719 Equity Shares of Rs.10/- each	167.47	167.47
1485629, 0.01% Cumulative Redeemable Preference Shares of Rs.10/- each	148.56	148.56
Less:- Provision for diminution in value of Investment	(316.03)	(316.03)
Aggregate book value of unquoted Investment	-	-
NOTE NO. 6		
LOANS (Deposit)		
Unsecured, Considered Good		
Security Deposits	260.15	260.22
Security Deposit For Rental Premises	200.00	181.82
	460.15	442.04
NOTE NO. 7		
OTHER NON CURRENT ASSETS		
Advance against Capital Commitment	243.44	535.67
	243.44	535.67
NOTE NO. 8		
INVENTORIES		
Raw Materials (including in Transit Rs. 105.38 Lakh (PY Rs. 26.49 Lakh)	2,052.19	1,028.16
Stores and Spares (including in Transit Rs. 18.98 Lakh (PY Rs. 4.41 Lakh)	152.55	148.72
Work-in-Progress	1,326.10	1,441.16
Finished Goods (Including in Transit Rs. 617.45 Lakh (PY Rs. 158.57 Lakh)	1,123.87	861.51
Waste	10.87	23.57
Scrap and Residual Materials	1.57	2.30
	4,667.15	3,505.42
NOTE NO. 9		
CURRENT INVESTMENT		
Fully paid up investment measured at fair value through Profit and Loss Account		
Investment in Mutual Fund (Quoted)		
Name	Qty (Units)	
IDFC Money Manager Fund (Growth) (Regular Plan)	15774.769	5.03
Baroda Liquid Fund Plan A (Growth)	214.042	5.03
Aggregate Amount of Quoted Investments (In Mutual Funds)	10.06	-
Aggregate Amount of NAV of Quoted Investments (In Mutual Funds)	10.06	-
NOTE NO. 10		
TRADE RECEIVABLES (Unsecured, Considered Good)		
Considered Good	1,062.30	1,313.70
Trade Receivables which have significant increase in Credit Risk	40.85	73.34
	1,103.15	1,387.04
Less : Allowances for Doubtful Receivables	40.85	59.34
	1,062.30	1,327.70



	(Rs. In lakh)	
	As at 31 st March, 2021	As at 31 st March, 2020
NOTE NO. 11		
CASH AND CASH EQUIVALENTS		
Balances with Banks		
- In Current Accounts	28.20	72.34
- In Saving Accounts (against Employee's Security)	2.60	2.20
Cash in Hand	1.12	2.42
	31.92	76.96
NOTE NO. 12		
OTHER BANK BALANCES		
In Unpaid Dividend Account	19.81	24.60
In Fixed Deposit Accounts (Includes Rs. 32.42 Lakh (PY Rs. 3.57 Lakh) having maturity more than 12 months)	3,236.20	402.46
	3,256.01	427.06
NOTE NO. 13		
OTHER FINANCIAL ASSETS		
(Unsecured and Considered good)		
Export Incentive Receivable	333.49	331.10
Staff & Other Advances	102.10	95.39
Interest Subsidy Receivable	107.51	235.83
Interest receivable on deposits	20.87	4.98
	563.97	667.30
NOTE NO. 14		
CURRENT TAX ASSETS (NET)		
Advance Income Tax/Tax Deducted at Source	264.65	320.22
Less:- Provision for Income Tax	(170.50)	(229.07)
	94.15	91.15
NOTE NO. 15		
OTHER CURRENT ASSETS		
(Unsecured and Considered good)		
Prepaid Expenses	103.71	97.07
Balance With Government Authorities	708.39	588.80
Advance to Suppliers	32.51	621.76
Other Advances	76.89	159.93
	921.50	1,467.56



	As at 31 st March, 2021 (Rs. In Lakh)	As at 31 st March, 2020 (Rs. In Lakh)
NOTE NO.16		
EQUITY SHARE CAPITAL		
Authorised		
1,35,00,000 Equity Shares of Rs. 10/- each	1,350.00	1,350.00
30,25,000 Preference Shares of Rs. 100/- each	3,025.00	3,025.00
	<u>4,375.00</u>	<u>4,375.00</u>
Issued, Subscribed and Fully Paid-Up		
75,84,813 (PY 75,84,813) Equity Shares of Rs. 10/- each	758.48	758.48
	<u>758.48</u>	<u>758.48</u>
Subscribed and Fully Paid		
75,43,563 (P.Y. 75,43,563) Equity Shares of Rs.10/- each	754.36	754.36
# Forfeited Shares (amount originally paid up Rs. 5/-)	1.61	1.61
Total Subscribed and Paid up Capital	755.97	755.97

Amount Originally paid on 41250 forfeited shares during earlier year.

(a) Reconciliation of the number of equity shares:

Description	As at 31.03.2021	As at 31.03.2020
Outstanding at the beginning of the year	7,543,563	3,980,850
Addition	-	3,562,713
Outstanding at the end of the year	7,543,563	7,543,563

(b) Term/Right attached to Equity Shares:

The Company has only one class of shares referred to as equity share having a face value of Rs. 10/- per share ranking paripassu. The holders of equity shares are entitled to one vote per share.

(c) Details of Shareholders holding more than 5% shares based on legal ownership in the Equity share capital of the Company :

Name of the Shareholder	As at 31.03.2021		As at 31.03.2020	
	No. of Shares	% of holding	No. of Shares	% of holding
Modern Fibotex India Limited	3494719	46.32%	3494719	46.32%

NOTE NO.17

OTHER EQUITY

Securities Premium Account

Opening Balance	2,561.96	2,561.96
Add :Received during the year	-	-
Closing Balance	<u>2,561.96</u>	<u>2,561.96</u>

General Reserve

Opening Balance	644.79	644.79
Add : Transferred from surplus in the Statement of Profit and Loss	-	-
Closing Balance	<u>644.79</u>	<u>644.79</u>



	As at 31 st March, 2021 (Rs. In Lakh)	As at 31 st March, 2020 (Rs. In Lakh)
Retained Earnings		
Opening Balance	5,823.68	4,986.95
Add : Profit for the year	693.13	933.11
Add : Transfer from Other Comprehensive Income	34.80	-
Less : Adjustment on lease assets as per IND AS 116 (Net of Tax)	-	(24.41)
Less : 5% Special Dividend	-	19.90
Tax on Dividend on 5% Special Dividend	-	4.09
Less: Appropriations		
Dividend paid on Equity Shares	75.45	39.81
Tax on Dividend on Equity Shares	-	8.18
Closing Balance	6,476.16	5,823.68
Other Comprehensive Income (OCI)		
Opening Balance	26.24	13.51
Add: Re-measurement of Defined Benefit Plans	8.56	12.73
Less : Transferred to Retained Earnings	34.80	-
Closing Balance	-	26.24
TOTAL	9,682.91	9,056.66
NOTE NO.18		
BORROWINGS (NON CURRENT)		
(i) Term Loans from Banks (Secured)		
(a) State Bank of India (COVID Loan)	225.00	-
(b) Export Import Bank of India	379.17	541.66
(c) HDFC Bank Ltd. (Vehicle Loan)	13.52	19.28
(d) ICICI Bank Ltd. (Vehicle Loan)	-	2.24
	617.69	563.18
(ii) Term Loan from Others Parties - (Secured)		
(a) Rajasthan State Industrial Development & Investment Corporation Limited (RIICO)	1,730.51	1,058.56
(b) Deferred Payment Credit of Supplier	394.26	-
	2,124.77	1,058.56
	2,742.46	1,621.74
Less: Current Maturity of Term Loan under (i) & (ii) above shown in Current Liability in Note No. 24	901.92	434.26
	1,840.54	1,187.48
(iii) Loans and Advances (Unsecured)		
Loans from other parties (Bodies Corporate)	386.50	491.50
Loans from related parties (Bodies Corporate)	1,159.00	1,174.50
	1,545.50	1,666.00
	3,386.04	2,853.48



REMARKS :

(i) Term Loans from Banks (Secured)

a) Term Loan from State Bank of India

The Company has availed COVID Loan from State Bank of India during the year, outstanding Rs. 225 Lakhs as on 31.03.21 (P.Y. Nil), including Rs. 180 Lakhs (P.Y. Nil) shown under the head Other Financial Liabilities for Current Maturities of Long Term Debts in Note 24 is secured by way of joint first charge ranking pari-passu of all present and future current assets of the company including stock and receivables and second charge over immovable properties (by way of deposit of Title Deeds of Lease Hold Land). This loan is repayable in 24 month with 18 monthly equal installments from January 2021 and last installment is payable by July 2022. The above term loan carry interest @ 7.75% p.a.

b) Term Loan from Export Import Bank of India

Term Loan of Rs. 1300.00 Lakhs , Outstanding Rs. 379.17 Lakhs as on 31.03.21 (P.Y. 541.66 Lakhs) from EXIM Bank, including Rs. 216.66 Lakhs (P.Y. Rs. 216.66 Lakhs) shown under the head Other Financial Liabilities for Current Maturities of Long Term Debts in Note 24, is secured by way of joint first charge ranking pari-passu of all immovable properties (by way of deposit of Title Deeds of Lease Hold Land), both present and future and hypothecation charge over movable (save and except book debts) machinery, spares, tools and accessories, present and future, Finished and semi finished products, other goods and uncalled capital, subject to prior charges created in favour of Bankers for working capital facilities. The above loans of Rs.1300.00 Lakhs have also been guaranteed by Managing Director and one other Director of the Company.

This loan is repayable in 24 quarterly equal installments from November 2016 and last installment is payable by August 2022. The above term loan carry interest @LTMLR + 2.60% p.a.

c) Term Loans (Vehicle Loans) from HDFC Bank Limited

Vehicle Loan from HDFC Bank Ltd. of Rs. 22.00 Lakhs outstanding Rs. 13.52 Lakhs as on 31.03.2021 (P.Y. Rs. 19.28 Lakhs) including Rs.7.48 Lakhs (P.Y. Rs. 6.95 Lakhs) shown under the head Other Financial Liability for Current maturity of Long Term debts in Note 24 is secured by way of Hypothecation of respective car acquired out of the said loan. This Loan is repayable in 36 monthly instalment commencing from July, 2019 along with interest @ 8.70% per annum and the last instalment is payable by Oct.2022.

d) Term Loans (Vehicle Loans) from ICICI Bank Limited

Vehicle Loan from ICICI Bank Ltd. of Rs. 18.50 Lakhs outstanding Rs. NIL as on 31.03.2021 (P.Y. Rs 2.24 Lakhs) including Rs. NIL (P.Y. 2.24 Lakhs) was secured by way of Hypothecation of respective car acquired out of the said loan. This Loan is has been repaid in full.

ii) Term Loan from Rajasthan State Industrial Development & Investment Corporation Limited (RIICO)

a) Term Loan of Rs.3550.00 Lakhs , Outstanding Rs. 1480.80 Lakhs as on 31.03.21 (P.Y. Rs. 748.80 Lakhs) including Rs. 153.34 Lakhs (P.Y. NIL) shown under the head Other Financial Liabilities for Current Maturities of Long Term Debts in Note 24, is secured by way of joint first charge ranking pari-passu of all immovable properties (by way of deposit of Title Deeds of Lease Hold Land), both present and future and hypothecation charge over movable (save and except book debts) machinery, spares, tools and accessories, present and future, Finished and semi finished products, other goods and uncalled capital, subject to prior charges created in favour of Bankers for working capital facilities. The above loans of Rs. 3550.00 Lakhs have also been guaranteed by Managing Director and one other Director of the Company.

This loan is repayable in 24 quarterly equal installments from Nov. 2021 and last installment is payable by August 2027. The above term loan carry interest @8.50% p.a.

b) Term Loan of Rs.1250.00 Lakhs , Outstanding Rs. 260.10 Lakhs as on 31.03.21 (P.Y. 312.20 Lakhs) including Rs. 208.40 Lakhs (P.Y. 208.40 Lakhs) shown under the head Other Financial Liabilities for Current Maturities of Long Term Debts in Note 24, is secured by way of joint first charge ranking pari-passu of all immovable properties (by way of deposit of Title Deeds of Lease Hold Land), both present and future and hypothecation charge over movable (save and except book debts) machinery, spares, tools and



accessories, present and future, Finished and semi finished products, other goods and uncalled capital, subject to prior charges created in favour of Bankers for working capital facilities. The above loans of Rs.1250.00 Lakhs have also been guaranteed by Managing Director and one other Director of the Company.

This loan is repayable in 24 quarterly equal installments from November 2015 and last installment is payable by August 2021. Three installments of the loan were deferred as per option given by the government due to Covid - 19. Accordingly the last installment would get paid by May 2022. The above term loan carry interest @11.5% p.a.

- c) Deferred Payment Credit of Rs.415.63 Lakhs , Outstanding Rs. 394.26 Lakhs as on 31.03.21 (P.Y. NIL) including Rs. 136.04 Lakhs (P.Y. NIL) shown under the head Other Financial Liabilities for Current Maturities of Long Term Debts in Note 24, is secured by way of hypothecation of the Solar Power Plant of the capacity 300 KW and 1100 KW installed during the year at the plant at Udaipur. The plant has been supplied and commissioned by Orb Energy and also financed the same. This loan is repayable in 36 monthly equal installments from May 20 and April 21 for the 300 KW and 1100 KW respectively. The corresponding last installment will be payable by April 2023 and March 2024. The above term loan carry interest @11.1% p.a.

iii) Terms of Repayment of Unsecured Loans

Aggregate Amount outstanding		Rate of Interest
Rs. 1545.50 Lakhs (P.Y. Rs.1666.00 Lakhs)	09 to 12 %	There are no stipulations for repayments. However the Company has obtained letters/ undertakings from lenders that they will seek repayments of their outstanding Loans as on 31.03.2021, only after 31.03.2022



	As at 31 st March, 2021 (Rs. In Lakh)	As at 31 st March, 2020 (Rs. In Lakh)
NOTE NO.19		
Other Financial Liabilities		
Security Deposits	12.43	9.21
Lease Liability	87.21	99.24
	99.64	108.45
NOTE NO.20		
PROVISIONS (NON CURRENT)		
Provision for Employee Benefits		
Provision for compensated absence	44.70	61.79
	44.70	61.79
NOTE NO. 21		
DEFERRED TAX LIABILITIES (NET)		
(a) Deferred Tax Liabilities	2,323.58	2,153.34
	(a) 2,323.58	2,153.34
(b) Deferred Tax Assets	255.74	267.58
(c) MAT credit Entitlement	24.97	11.89
	(b) 280.71	279.47
Total (a-b)	2,042.87	1,873.87
NOTE NO.22		
SHORT TERM BORROWING (CURRENT)		
Loan repayable on demand from banks (Secured)	1,806.64	2,131.96
Bills Discounted (Supplier from Banks, Unsecured)	3,537.36	1,048.02
	5,344.00	3,179.98

(a) Borrowings of Rs. 1806.64 Lakhs (P.Y. 2131.96 Lakhs) from SBI, IDBI Bank Ltd. and ICICI Bank Ltd. for working capital are secured on pari passu basis by way of joint hypothecation first charge on entire inventories, trade receivables and other current assets present & future and secured by second pari passu charge on fixed assets of the Company. Such borrowings are also guaranteed by the Managing Director and one other Director of the Company.

NOTE NO.23

TRADE PAYABLES (Unsecured)

Micro Enterprises and Small Enterprises*	90.35	48.43
Others	1,884.44	2,741.17
Total	1,974.79	2,789.60

* Principal amount outstanding as at the year end, there is no overdue amount of principal and interest due to Micro and Small Enterprises . During the period, no interest has been paid to such parties. This information has been determined to the extent such parties have been identified on the basis of information available with the company.



	As at 31 st March, 2021 (Rs. In Lakh)	As at 31 st March, 2020 (Rs. In Lakh)
NOTE NO.24		
OTHER FINANCIAL LIABILITIES		
Interest Accrued but not due on Loans	80.85	126.83
Premium on Exchange Forward Contract payable	-	172.63
Unclaimed Dividend	19.81	24.60
Expenses Payable	1,282.42	633.30
Current maturities of Long Term Borrowings	901.92	434.26
Lease Liability	17.10	87.58
Other Payable for Expenses	104.72	95.03
Total	2,406.82	1,574.23
NOTE NO.25		
OTHER CURRENT LIABILITIES		
Statutory dues	103.41	79.15
Advance From Customers	345.08	334.50
Total	448.49	413.65
NOTE NO.26		
PROVISIONS (CURRENT)		
Provision for Employee Benefits		
Provision for Gratuity	0.45	-
Provision for compensated absence	78.15	77.36
Total	78.60	77.36
NOTE NO.27		
REVENUE FROM OPERATIONS		
A Sale of Products	24,883.97	28,780.69
B Other Operating Revenue		
Net Gain/(Loss) on Foreign Currency translation and transactions - sales	87.24	410.79
Duty drawback benefits	371.56	435.46
Premium on transfer of Duty credit scripts	187.29	322.20
Sale of Scrap	32.40	30.32
	25,562.46	29,979.46
NOTE NO.28		
OTHER INCOME		
Interest Income	123.08	62.51
Unspent Liabilities/Sundry Balances Written Back (Net)	17.82	3.03
Rent Received	3.60	3.60
Profit on Disposal of Fixed Assets (Net)	-	6.67
Net Gain/(Loss) on Foreign Currency transactions - other	255.58	-
Gain on Security Deposit	18.18	16.53
Misc Receipt	2.87	13.22
Profit on fair valuation of Investment	0.06	-
Provision for doubtful debts written back	28.10	-
	449.29	105.56



	As at 31 st March, 2021 (Rs. In Lakh)	As at 31 st March, 2020 (Rs. In Lakh)
NOTE NO.29		
COST OF MATERIAL CONSUMED		
Opening Stock of Raw Material	1,028.16	892.71
Add:- Purchases and incidental Expenses	13,525.99	15,459.49
Less:- Closing Stock of Raw Materials	2,052.19	1,190.49
	12,501.94	15,161.71
NOTE NO.30		
(INCREASE)/DECREASE IN INVENTORIES ON FINISHED GOODS, WORK-IN-PROGRESS AND TRADED GOODS, ETC.		
Closing Inventories		
Work-in-Progress	1,326.10	1,441.16
Finished Goods	1,123.87	861.51
Waste	10.87	23.57
Scrap and Residual Materials	1.57	2.30
Total	2,462.41	2,328.54
Opening Inventories		
Work-in-Progress	1,441.16	1,421.88
Finished Goods	861.51	1,301.66
Waste	23.57	28.68
Scrap and Residual Materials	2.30	0.92
Total	2,328.54 (133.87)	2,753.14 424.60
NOTE NO.31		
EMPLOYEE BENEFITS EXPENSES		
Salaries, Wages, Bonus and Benefits, etc.	3,733.49	3,550.37
Contribution to Provident and Other Funds, etc.	244.77	258.64
Employees Welfare Expenses	42.77	45.66
Workman Compensation	213.64	83.09
	4,234.67	3,937.76
NOTE NO.32		
FINANCE COSTS		
Interest Expense*	582.05	586.80
Dividend on Preference share	-	79.42
Dividend Distribution Tax on Preference shares	-	16.33
Other Borrowing Costs	382.75	450.33
	964.80	1,132.88
*(After adjustment of Rs. 21.87 Lakh (PY Rs. 60.68 Lakh) towards interest subsidies under TUFs/ state schemes.		
NOTE NO.33		
DEPRECIATION AND AMORTISATION EXPENSE		
On Property, Plant and Equipment & Intangible Assets	618.02	591.96
Depreciation Right to Use Assets	138.16	138.16
Depreciation Investment Property	3.70	3.70
	759.88	733.82



	As at 31 st March, 2021 (Rs. In Lakh)	As at 31 st March, 2020 (Rs. In Lakh)
NOTE NO.34		
OTHER EXPENSES		
Consumption of Stores and Spares	776.74	865.61
Packing Materials	506.81	515.22
Power and Fuel	2,970.43	3,436.92
Freight and Transportation	975.67	836.71
Rent	17.13	11.92
Repair & Maintenance	-	-
- Plant & Equipments	56.68	55.20
- Buildings	53.46	69.02
Insurance	53.73	51.26
Rates & Taxes	10.81	25.02
Travelling and Conveyance	36.53	229.50
Payment to Auditors	11.04	13.98
Commission and Brokerage on sales	686.50	750.22
Miscellaneous Expenses	422.15	444.73
Corporate Social Responsibility (CSR) Expenses	13.11	11.16
Bad Debts / Irrecoverable Debts Written Off	32.73	4.66
Loss on Sales of Fixed Assets	14.98	-
Provision for Doubtful Debts	9.61	-
Net Loss on Foreign Currency Transactions - Other	-	295.75
	6,648.11	7,616.88
NOTE NO.35		
(a) Income Tax		
Amount Recognised in the Statement of Profit and Loss		
Current Tax	170.50	381.00
Tax for earlier year	18.79	(0.94)
Deferred Tax	178.78	(235.81)
Mat Credit Entitlement	(24.97)	-
Total Tax Expense	343.10	144.25
(b) Reconciliation of Income Tax Expenses with Accounting Profit		
Particulars		
Profit before tax	1,036.24	1,077.38
Income Tax Expenses calculated at 27.82% (previous year was 27.82%)	288.28	299.72
Add:- Tax Incidence on additions		
i) Disallowance u/s 43B	-	26.64
ii) Other disallowances	37.44	90.84
TOTAL- A	325.72	417.20
Less:- Tax incidence on deduction		
i) Difference between Book and Income tax Depreciation	106.42	(25.60)
ii) Expenses paid u/s 43B	23.31	32.46
iii) Other Deduction	54.73	29.63
TOTAL- B	184.46	36.49
Income Tax Expenses recognized in Statement of Profit and Loss (A-B)	141.26	380.71
Effective Tax Rate (%)	13.63	35.34



NOTE NO. 36

Significant Accounting Policies and Notes on Financial Statements:

1 CORPORATE INFORMATION :

Reliance Chemotex Industries Limited (CIN No.L40102RJ1977PLC001994) is a public limited company domiciled and incorporated in India and its shares are publicly traded on the BSE, in India. The registered office of Reliance Chemotex Industries Limited is at Village Kanpur, Post Box No 73, Udaipur District, Rajasthan 313003. The Company is primarily engaged in the manufacturing and sale of Synthetic & blended Yarn.

A. Basis of Preparation of Financial Statements:

- a. The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as prescribed under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) (Amendment) Rules, 2016 and relevant provisions of the Companies Act, 2013. Date of Transition to Ind AS 2017 is 01.04.2016.

b. Historical cost convention

"The financial statements have been prepared on a historical cost basis, except for the following:

- 1) certain financial assets and liabilities that are measured at fair value;
- 2) defined benefit plans - plan assets measured at fair value.

c. Use of estimates and judgments

The estimates and judgments used in the preparation of the financial statements are continuously evaluated by the Company and are based on historical experience and various other assumptions and factors (including expectations of future events) that the Company believes to be reasonable under the existing circumstances. Differences between actual results and estimates are recognised in the period in which the results are known/materialised.

The said estimates are based on the facts and events, that existed as at the reporting date, or that occurred after that date but provide additional evidence about conditions existing as at the reporting date.

d. Current non-current classification

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle (twelve months) and other criteria set out in the Schedule III to the Companies Act., 2013.

- e. The financial statements of the Company are presented in Indian Rupee (INR), which is also the functional currency of the Company.

B. Significant Accounting Policies

(i) Property, Plant and Equipment

The company consider the previous GAAP carrying value of all its Properties, Plants and Equipment except freehold and leasehold land as deemed cost at the transition date i.e. 1st April 2016. The Company has adopted optional exemption under IND AS 101 to measure free hold land & lease hold land at fair value and consequently the fair value has been assumed to be deemed cost in case of free hold land & lease hold land on the date of transition.

Property, Plant and Equipment acquired after the transition dates are stated at cost less accumulated depreciation. Cost include expenses directly attributable to bringing the assets to the location and condition necessary for it to be capable of operating in the manner intended by management.

(ii) Intangible Assets :

Intangible assets comprise of computer software.

(iii) Depreciation/Amortisation

"Depreciation on Property , Plant & Equipment is calculated on straight line method using the rates arrived at based on the estimated useful life given in schedule II of the Company's Act. 2013 except as under : -

- Office Equipment are depreciated over 10 years.

The remaining useful life of property , Plant & Equipment is reviewed at each financial year end and is in accordance with life as per schedule II of the Company's Act. 2013.

Intangible Assets (Computer Software) is amortised over 5 Years.



Individual Assets costing below 5000/- are depreciated on prorata basis over one year from the date of acquisition. "

(iv) Investment Property

"Investment properties are measured at deemed cost less accumulated depreciation and impairment losses, if any.

The cost and related accumulated depreciation are eliminated from the financial statements, upon sale, disposition and withdrawal from permanent use of the assets and when no future economic benefits are expected from its disposal. The resultant gains or losses are recognised in statement of profit and loss. "

(v) Valuation of Investments :

The company holds investment in Equity which are measured at fair value through other comprehensive income. The company's investment in mutual fund scheme have been valued at net asset value and are recognised in profit and loss account.

(vi) Valuation of Inventories:

Inventories of Raw Materials, Work-in-Progress, Stores and spares, Finished Goods are stated 'at cost or net realisable value, whichever is lower'. Goods-in-Transit are stated 'at cost'. Cost comprise all cost of purchase, cost of conversion and other costs incurred in bringing the inventories to their present location and condition. Cost of stores and spares has been computed on weighted Average method and raw material has been computed on First-in-First-out Method, Scrap and waste has been valued on net realisable value. Due allowance is estimated and made for defective and obsolete items, wherever necessary. Scrap and waste has been valued at net realisable value.

(vii) Lease

The Company's lease asset class primarily consists of lease for building and leasehold land. The Company, at the inception of a contract, assesses whether the contract is a lease or not a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a time in exchange for a consideration. The Company has elected not to recognize Right-of-use Assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Company recognizes the lease payments associated with these leases as an expense over the lease term. The Company recognizes a Right-of-use Asset and a lease liability at the lease commencement date. The Right-of-use Asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial costs incurred. The Right-of-use Asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term. The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the Company's incremental borrowing rate. Subsequently, lease liabilities are measured on amortized cost basis. In the comparative period, lease payments under operating leases are recognized as an expense in the statement of profit and loss over the lease term

(viii) Revenue/Income Recognition:

(a) Revenue from contract with customers

"Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customers at an amount that reflects the consideration to which the company expects to be entitled in exchange of promised performance obligations.

In case of sale of goods, transfer of control of the goods to the customer generally coincides with dispatch of goods to customer and is measured at a transaction value representing the related performance obligation. Transaction price is determined after considering the impact of variable considerations, returns, claims, rebates and other pricing allowances, trade & volume discounts (if any). "

(b) Other Operating Revenue Export Incentives

Revenue in respect of the export incentives is recognized on post export basis. Duty Drawback benefits are accounted for on accrual basis.

(c) Interest:-

Interest income is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.

(d) Insurance and Other Claim:-

Revenue in respect of insurance & other claims is recognized when no significant uncertainty exists with regard to the amount to be realized and the ultimate collection thereof.



(ix) Employee benefits

Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the reporting period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled.

Defined Contribution Plans:

Provident Fund

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service.

Defined Benefit Plans

Gratuity and Compensated Absence

The Company provides for Gratuity and Compensated Absence, a defined benefit retirement plan covering eligible employees of the Company. The present value of the obligations under such defined benefit plans is determined based on actuarial valuations using the Projected Unit Cost Method.

Actuarial gain/loss, if any, arising from or adjustments and change in actuarial assumptions are charged or credited to Other Comprehensive income in the period in which they arise.

(x) (a) Foreign Currency Transactions:

Transactions and balances

Transactions in foreign currencies are recognised at the prevailing exchange rates on the transaction dates. Realised gains and losses on settlement of foreign currency transactions are recognised in the Statement of Profit and Loss.

Monetary foreign currency assets and liabilities at the year-end are translated at the year-end exchange rates and the resultant exchange differences are recognised in the Statement of Profit and Loss.

(b) Exchange Forward Contracts:

The company uses Exchange Forward Contracts to hedge its risks associated with foreign currency related to firm commitments and highly probable forecasted transactions. The company does not enter into any forward contracts which are intended for trading or speculation purposes.

Profit/ Loss on cancellation of unutilised portion of forward Exchange contracts is accounted for as income/ Expense for the period in which cancellation of contract takes place.

The company accounts for Mark to Market (MTM) gains/losses on unutilised foreign exchange forward contracts at the end of each reporting period.

(C) Borrowing Costs:

Interest and other costs connected with the borrowing for the acquisition / construction of qualifying fixed assets are capitalised up to the date such asset is put to use and other borrowing cost are charged to statement of profit & loss. Borrowing cost includes exchange rate difference to the extent regarded as an adjustment to the borrowing cost

(xi) Research and Development:

Revenue expenditure on Research and Development is charged as expenses under the head "Research and Development" in the year in which it is incurred. Capital expenditure incurred on equipment and facilities that are acquired for research and development activities is capitalised and depreciated according to the policy followed by the Company.

(xii) Taxation:

Income tax expense represents the sum of current and deferred tax (including MAT)

(a) Current tax :-

Current income tax assets and liabilities are measured at the amount to be recovered from or paid to taxation authorities. The tax rates and tax laws used to compute the amount are according to the prevailing tax Law on the reporting date. Income tax expense is recognised in the Statement of Profit and Loss, except to the extent that it relates to items recognized directly in equity or other comprehensive income, in such cases the tax is recognised directly in equity or in other comprehensive income.



(b) Deferred tax:

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the Balance sheet and the tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences, and deferred tax assets are generally recognised for all deductible temporary differences. Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which those deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilised. Deferred tax assets and deferred tax liabilities are off set, and presented as net. The carrying amount of deferred tax asset / liability is reviewed at each reporting date and necessary adjustments are made in the books of accounts accordingly.

(c) MAT :

Credit of MAT is recognised 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, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the MAT credit becomes eligible to be recognised as an asset, the said asset is created by way of a credit to the profit and loss account and shown as MAT credit entitlement.

(xiii) Government Grant/ Interest Subsidy:

Government Grants are recognised where there is reasonable assurance that the grant will be received and all attached condition will be complied with. Grants related to specific fixed assets are deducted from the gross value of the concerned assets in arriving at their book values. Investment subsidy/employment generation subsidy / Interest rate subsidy and other revenue grants are credited to Statement of Profit and Loss or deducted from the related expenses.

(xiv) Impairment of Non Financial Assets:

The Management periodically assesses using external and internal sources whether there is any indication that an asset may be impaired. Impairment of an asset occurs where the carrying value exceeds the present value of the cash flow expected to arise from the continuing use of the asset and its eventual disposal. A provision for impairment loss is made when the recoverable amount of the asset is lower than the carrying amount.

(xv) Provisions and Contingent liabilities and Contingent Assets

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses. Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense. Contingent Liabilities are disclosed in respect of possible obligations that arise from past events but their existence will be confirmed by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Company or where any present obligation cannot be measured in terms of future outflow of resources or where a reliable estimate of the obligation cannot be made. Contingent assets are not recognised in the financial statements.

(xvi) Cash and Cash Equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, bank overdraft, deposits held at call with financial institutions, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

(xvii) Dividend:-

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

(xviii) Earning Per Share -

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



NOTE NO. 37

Fair value of Financial Assets and Financial Liabilities

Rs. In Lakh

Sr.No.	Particulars	Fair Value Hierarchy	Note No.	As at 31 st March, 2021		As at 31 st March, 2020	
				Carrying Value	Fair Value	Carrying Value	Fair Value
I	Financial Assets						
(a)	At Fair Value :- - Equity, Investment and unquoted Shares	Level 3	A	-	-	-	-
	Investment in Mutual Fund	Level 1	A	10.06	10.06	-	-
(b)	At Amortised Cost						
	- Trade Receivables			1,062.30	1,062.30	1,327.69	1,327.69
	- Loans, Security Deposit and Others			1,024.11	1,024.11	1,109.33	1,109.33
	- Cash and Cash Equivalents		B	31.92	31.92	76.96	76.96
	- Other Bank Balances			3,256.01	3,256.01	427.06	427.06
	Total Financial Assets			5,384.40	5,384.40	2,941.04	2,941.04
II	Financial Liabilities						
(a)	At Amortised Cost						
	- Borrowings			9,631.96	9,631.96	6,467.72	6,467.72
	- Trade Payables		B	1,974.79	1,974.79	2,789.61	2,789.61
	- Other Financial Liabilities			1,604.54	1,604.54	1,248.42	1,248.42
	Total Financial Liabilities			13,211.29	13,211.29	10,505.75	10,505.75

The fair value of financial assets and liabilities are included at the amount at which instruments could be exchanged in a current transaction between the willing parties. The following methods and assumptions were used to estimate the fair value:

- (A) The Company has opted to fair value its unquoted equity instruments at its Net Asset Value through Retained Earnings and Investments in mutual funds at quoted price.
- B) The fair values of cash and cash equivalents, other bank balances, trade receivables, loans, other financial assets, short term borrowings, trade payables, and other financial liabilities approximates their carrying amounts largely due to the short-term maturities of these instruments. Company has adopted Effective Interest Rate Method (EIR) for fair valuation of long term borrowings.

Fair Value Hierarchy

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).



NOTE NO .38

Financial Risk Management Objectives and Policies:

The Company's activities are exposed to a variety of Financial Risk from its Operations. The key financial risk include Market risk, Credit risk and Liquidity risk.

- (a) **Market Risk:** Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises mainly three types of risk; Foreign currency risk, Interest rate risk and other price risk such as Equity price risk and Commodity Price risk.

(b) **"Foreign Currency Risk:**

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company is exposed to foreign exchange risk arising from foreign currency transactions of imports, exports and borrowing primarily with respect to USD and Euro. The Company's exports are denominated generally in USD, providing a natural hedge to some extent against foreign currency payments on account of imports of raw materials and/or the payment of borrowings. The foreign currency transaction risk are managed through selective hedging programmes by way of forward contracts including for underlying transactions having firm commitments or highly probable forecast of crystallisation.

The Company uses forward exchange contracts to hedge its exposure in foreign currency. The details of foreign currency exposures hedged by derivative instruments and those have not been hedged are as follows:"

Particulars	Currency	As at 31st March, 2021		As at 31st March, 2020	
		In Foreign Currency	in Rs. lakh	In Foreign Currency	in Rs. lakh
Hedged :					
Forward exchange contracts outstanding					
Long-term borrowing	USD				
Export Outstanding	Rs.	-	791.34	-	588.95
Total	Rs.	-	791.34	-	588.95
Unhedged :					
Long-term borrowings	USD	-	-	-	-
	EUR	-	-	-	-
Long-term borrowings FCNR	USD	-	-	-	-
	EUR	-	-	-	-
Commission in Export Sales	USD	202,522.00	148.07	233,879.00	174.61
	EUR	15,375.00	13.25	46,784.00	37.70
Bank/ Cash Balances	USD			-	-
	EUR	150.00	0.13	150.00	0.12
Import	USD	-	-	229,520.00	172.97
Total	USD	202,522.00	148.07	463,399.00	347.58
	EUR	15,525.00	13.38	46,934.00	37.82

(c) **Foreign Currency Sensitivity:**

The following table demonstrates the sensitivity to a reasonably possible change in USD with all other variables held constant. The impact on company's profit before tax is due to changes in the foreign exchange rate for:

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
Change in USD	-3%	+5%
Effect on profit before tax (Rs. In lakh)	(3.74)	8.73
Change in USD	3%	-5%
Effect on profit before tax (Rs. In lakh)	3.74	(8.73)



Particulars	As at 31 st March, 2021	As at 31 st March, 2020
Change in EUR	7%	+5%
Effect on profit before tax (Rs. In lakh)	0.92	1.89
Change in EUR	-7%	-5%
Effect on profit before tax (Rs. In lakh)	(0.92)	(1.89)

The assumed movement in basis points for the interest rate sensitivity analysis is based on the currently observable market environment.

(d) Interest Rate Risk and Sensitivity:

The Company is having fixed rate long term borrowings which are not exposed to any risk of changes in market interest rates.

(e) Commodity price risk:

The Company is affected by the price volatility of certain commodities. Its operating activities require the purchase of raw material and therefore, require a continuous supply of certain raw materials. To mitigate the price risk, the company has an approved supplier base to get the best competitive prices for the commodities and to manage the cost without any compromise on quality.

(f) Equity price risk:

The Company's exposure to equity instruments price risk arises from investments held by the company and classified in the balance sheet at fair value through OCI. Having regard to the nature of securities, intrinsic worth, intent and long term nature of securities held by the company, fluctuation in their prices are considered acceptable and do not warrant any management estimation.

(g) Credit Risk:

Credit risk is the risk that counterparty might not honor its obligations under a financial instrument or customer contract, leading to a financial loss. The company is exposed to credit risk from its operating activities (primarily trade receivables).

Trade Receivables:

Customer credit risk is managed based on company's established policy, procedures and controls. The company assesses the credit quality of the counterparties, taking into account their financial position, past experience and other factors.

Credit risk is reduced by receiving pre-payments and export letter of credit to the extent possible. The Company has a well defined sales policy to minimize its risk of credit defaults. Outstanding customer receivables are regularly monitored and assessed. The Company follows the simplified approach for recognition of impairment loss and the same, if any, is provided as per its respective customer's credit risk as on the reporting date

(h) Deposits with Bank:

The deposits with banks constitute mostly the investment made by the company against bank guarantee and letter of credits and are generally not exposed to credit risk.

(i) Liquidity Risk:

Liquidity risk is the risk, where the company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The company's approach is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when due.

The table below summarises the maturity profile of company's financial liabilities based on contractual undiscounted payments:



				Rs. in Lakh
Particulars	Carrying Value	Payable on Demand	Upto 12 Months	1 to 5 years
As at 31st March 2021				
Borrowings*	9,631.96	5,344.00	901.92	3,386.04
Trade and Other Payables	1,974.78		1,974.78	
Total	11,606.74	5,344.00	2,876.70	3,386.04
As at 31st March 2020				
Borrowings*	6,467.72	3,179.97	434.26	2,853.49
Trade and Other Payables	2,789.61		2,789.61	
Total	9,257.33	3,179.97	3,223.87	2,853.49

* Including working capital facility from consortium banks renewed every year and current maturity of long-term borrowings.

NOTE NO. 39

Capital Management:

The Company's policy is to maintain an adequate capital base so as to maintain creditor and market confidence and to sustain future development. Capital includes issued capital, share premium and all other equity reserves attributable to equity holders.

The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. Net Debt is calculated as borrowings less cash and cash equivalents.

Particulars	Rs. in Lakh	
	As at 31 st March, 2021	As at 31 st March, 2020
Borrowings*	9,631.96	6,467.72
Less: Cash and Cash equivalents	31.92	76.96
Net debt	9,600.04	6,390.76
Equity Share Capital	755.97	755.97
Other Equity	9,682.91	9,056.66
Total Capital	10,438.88	9,812.63
Capital and net debt	20,038.92	16,203.39
Gearing ratio	0.48	0.39

NOTE NO. 40

Particulars	31st March, 2021 Rs. In Lakh	31st March, 2020 Rs. In Lakh
Estimated amount of contracts remaining to be executed on Capital Account and not provided for	1,982.73	Nil



NOTE NO. 41

Particulars	31st March, 2021 Rs. In Lakh	31st March, 2020 Rs. In Lakh
Contingent Liabilities not provided for in respect of		
i) Bonds executed in favour of Customs and Excise Authorities	100.00	100.00
ii) Claims not acknowledged as debts (Disputed by the Company and or appealed against);		
a) Demands by Excise department	63.38	63.38
b) Demands of workers	9.95	9.95
iii) Others	389.23	389.23

NOTE NO. 42

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
A) Amount Paid/Payable to Auditors:		
a) Statutory Audit Fee	7.00	7.00
b) Tax Audit Fee	2.44	2.44
c) Other Certification Charges	1.60	1.78
d) Reimbursement of Expenses	-	2.76
	11.04	13.98
B) Amount Paid/Payable to Cost Auditors Included in Misc. Expenses		
a) Audit Fees	0.60	0.60
b) Reimbursement of Expenses	0.26	0.29
	0.86	0.89

NOTE NO. 43

Accounts in respect of Current and Non-Current Liabilities, Trade Receivables, Other Current Assets, Loans and Advances and Deposits are subject to confirmations of respective parties.

NOTE NO. 44

Disclosure as required under the Micro, Small and Medium Enterprises Development Act., 2006, to the extent ascertained and as per per notification number GSR 679 (E) dated 4th September, 2015.

S.No. Particulars	As at 31st March, 2021 (Rs. In Lakh)	As at 31st March, 2020 (Rs. In Lakh)
(i) The Principal amount and interest due thereon remaining unpaid to any supplier at the end of each financial year.	90.35	48.44
(ii) The amount of interest paid by the buyer.	NIL	NIL
(iii) The amount of interest due and payable for the period of delay in making payment.	NIL	NIL
(iv) The amount of interest accrued and remaining unpaid	NIL	NIL
(v) The amount of further interest remaining due and payable in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under Section 23 of the Micro Small and Medium Enterprise Development Act, 2006	NIL	NIL



NOTE NO. 45

Particulars	As at 31st March , 2021 (Rs. In Lakh)	As at 31st March , 2020 (Rs. In Lakh)
Earnings Per Share (EPS)-		
The numerators and denominators used to calculate Basic and Diluted Earnings Per Share:		
i) Net Profit (after tax)	693.13	933.11
ii) Basic/Weighted average number of Equity Shares outstanding during the year (B)	7543563	6355922
iii) Nominal value of Equity shares (Rs.)	10	10
iv) Basic/Diluted Earnings per Share (Rs.)	9.19	14.68

NOTE NO. 46

Segment Information :

- (a) The Company has only one reportable Primary Business Segment i.e Yarn. Hence, no separate segment wise information of revenue, results and capital employed is given.
- (b) The following table shows the distribution of Company's Revenue from operations by geographical market, regardless of where the goods were produced :

		(Rs. in Lakh)	
Sr.No.	Geographical Segments	2020-2021	2019-2020
1	Domestic Market (Within India)	10,559.32	11,665.24
2	Overseas Market (Outside India)	14,324.65	17,115.46
	Total	24,883.97	28,780.70

- (c) Sales to four Export Customers of the Company is Rs. 8295.54 lakh (Previous Year Rs. 6330.60 lakh) which is more than 10% of the Company's total turnover.

Note No. 47

Revenue from contracts with customers :

- (a) Disaggregated revenue information (Refer Note No. 46)
- (b) Contract Balances

Particulars	(Rs in Lakh)	
	As at 31 st March, 2021	As at 31 st March, 2020
Trade Receivables	1062.30	1327.69
Contract Liabilities	345.08	334.50

Trade Receivables are non-interest bearing and are generally on payment terms of 30 to 90 days. Contract liabilities include Advances received against delivery of Yarn. The Performance obligation in relation to revenue recognition arising from contract with customer is satisfied upon customer clearance of goods sold. .



(d) Reconciling the amount of revenue recognised in the statement of Profit & Loss with the contracted price :

Particulars	Rs. in Lakh	
	As at 31 st March, 2021	As at 31 st March, 2020
Revenue as per the Contracted Price	24,889.25	28,806.50
Adjustment		
Customer Claim	5.28	25.80
Revenue from Contract with Customers	24,883.97	28,780.70

NOTE NO. 48

- (i) The Board of Directors has recommended a dividend of Rs 2/- per share of Face value of Rs 10/- each aggregating Rs. 150.86 lakh for the year ended 31st March 2021..

NOTE NO. 49

Right-of-use Assets (Building) :

Lease Liabilities Reconciliation :

SI.No	Particulars	Rs. in Lakh	
		2020-2021	2019-2020
(i)	Opening Lease Liabilities	186.82	265.31
(ii)	Lease liabilities accrued during the year	-	-
(iii)	Interest on lease liabilities	7.47	11.48
(iv)	Repayment/ Actual Rent	89.98	89.98
(v)	Closing Lease Liabilities	104.31	186.81

- (b) The Company has taken certain offices and residential premises under operating lease agreements for short period. The aggregate lease rental of Rs. 89,97,000 (Previous year Rs. 89,97,000) on such lease has been charged to statement of Profit & Loss.

Note No. 50

The Company has assessed the impact of COVID-19 pandemic on its financial results/position. As per the current assessment, the Company expects to recover the carrying amount of inventory, trade receivable and other assets. However, the impact assessment of COVID-19 will be a continuous process given the uncertainties associated with its nature and duration.

NOTE NO. 51

The disclosures required as per the Indian Accounting Standards (Ind-AS 19 - Employee Benefits) notified under the Companies (Indian Accounting Standards) Rules, 2015 are as under :

"Defined - Contribution Plans

The Company offers its employees defined contribution plan in the form of provident fund(PF), family pensions fund (FPF) and Employees State Insurance Scheme (ESI) which covers substantially all regular employees. Contribution are paid during the year into separate funds under certain fiduciary-type arrangements. Both the employees and the company pay pre determined contribution into the provident funds, family pension fund and the Employees State Insurance Scheme. The Contributions are normally based on a certain proportion of the employee's salary."

Contribution to Defined Benefit Plan, recognized and charged off for the year are as under (excluding for on contracts payments):



	2020-2021	2019-2020
	Rs. In Lakh	Rs. In Lakh
Provident Fund	74.38	68.67
Family Pension Fund	94.97	105.92
Employees State Insurance Scheme	59.91	68.07

"Defined - Benefit Plans

The Company offers its employees defined- benefit Plans in the form of a Gratuity Scheme. Benefits under the defined benefit plan is typically based either on years of service and the employee's compensation (generally immediately before retirement). The Gratuity scheme covers substantially all regular employees. The Company contributes funds to Life Insurance Corporation of India, which is irrevocable. Commitments are actuarially determined at year end. The actuarial valuation is done based on "Projected Unit Credit" method. Gains & Losses of changed actuarial assumptions are charged to the profit and loss account. The obligations for leave encashment is recognised in the same manner as gratuity.

Particulars	Gratuity (Funded) Rs. In Lakh	Gratuity (Funded) Rs. In Lakh
a. Reconciliation of opening and closing balances of Defined Benefit Obligation	2020-21	2019-20
Defined Benefit obligation at beginning of the year	452.37	427.89
Current Service Cost	67.67	67.02
Interest Cost	28.44	30.78
Past Service Cost	-	-
Actuarial (gain)/ Loss	(13.66)	(23.25)
Benefits paid	(68.24)	(50.07)
Defined Benefit Obligation at year end	466.58	452.37
b Fair value of plan assets at beginning of the year	428.11	374.06
Expected return on plan assets	(1.80)	(5.61)
Interest Incurred	29.46	29.72
Employer contribution	78.60	80.00
Benefits Paid	(68.24)	(50.06)
Fair Value of plan assets at year end	466.13	428.11
Fair value of Plan assets	428.11	374.06
c Interest Income	29.46	29.72
Current Service Cost	67.67	67.02
d Net Interest Cost	0.37	1.06
Past Service Cost (vested benefit)	-	-
Actuarial (gain)/ Loss	-	-
Expenses Recognised in P/L account	68.04	68.08
e Other Comprehensive Income		
Actuarial (Gain) / Loss for the year	(13.66)	(23.25)
Return of Plan Assets	1.80	5.61
Actuarial (Gain) / Loss for the year recognised in OCI	(11.86)	(17.64)
f Major Categories of Plan Assets as % of the Total plan Assets Interest based Scheme with Insurance Companies	100%	100%



Particulars		Gratuity (Funded) Rs. In Lakh	Gratuity (Funded) Rs. In Lakh
g	Sensitive Analysis		
	Discount Rate 1 % increase	431.23	416.18
	Discount Rate 1 % Decrease	508.86	495.79
	Change in Salaries increase 1 % increase	507.36	494.41
	1 % Decrease	431.89	416.72
h.	Estimated expected benefit payments (in absolute terms i.e. undiscounted)		
	F.Y. 2020-21	-	115.66
	2021-22	136.46	24.26
	2022-23	18.86	18.85
	2023-24	26.08	25.67
	2024-25	21.85	24.30
	2025-26	10.78	-
	FROM 2026-27 TO 2030-31	128.60	113.66
I.	Acturial Assumption		
	Particulars		
	Discount Rates	6.79%	6.80%
	Salary Escalation	4.00%	4.00%
	Mortality Rates	IALM (2012-14)	IALM (2006-08)
	Retirement age	58 Years	58 Years

NOTE NO. 52

Related Party Disclosures

(As certified by the Management)

Disclosures in respect of Related Parties as defined in Indian Accounting Standard 24(Ind AS 24), with whom transactions were entered into at an arm's length and in the ordinary course of business during the year are given below::

(i) Key Management Personnel and Relatives of Key Management Personnel

Mr. Ramadoss Srinivasan - Chairman
Mr. Sanjiv Shroff (Managing Director)
Mr. Rahul Shroff (Wholetime Director Designated as Executive Director)
Mr. Ameya Shroff (Wholetime Director Designated as Executive Director)
Mr. Nand Gopal Khaitan (Non Exeutive Director)
Mrs. Dipika Shroff (Non- Executive Director)
Mr. Kishori Lal Sonthalia (Non Executive Director)*
Mr. Ram Niwas Sharma (Non Executive Director)
Mr. Narayan Shroff (Non Executive Director)
Mr. Chandrasekaran Rajagopalan (CFO)
Mr. Vimal Tank (Company Secretary)^
Mr. Chirag Gupta (Company Secretary)\$

Relative of Key Managerial Person

Mr. Shanker Lal Shroff, Chairman Emeritus (Father of Mr. Sanjiv Shroff)



Mrs. Bimla Devi Shroff (Mother of Mr. Sanjiv Shroff)

Mrs. Kavisha Rahul Shroff (Wife of Mr. Rahul Shroff)

ii) Enterprises over which key Management Personnel and relative of such personnel is able to exercise significant influence or control

- a) Indo Textiles & Fibres Limited
- b) Spell Fashions Pvt.Ltd.
- c) A.R.Fibtex Pvt. Ltd.
- d) Khaitan & Co. LLP
- e) A.R. Commercial Private Limited
- f) A.S. Chemotex pvt. Ltd.
- g) Sunrise Producers Pvt. Ltd.
- h) Sunrise Cotton Industries Limited
- i) Modern Fibotex India Limited

(b) Description of the nature of transactions with the related parties :-

Rs. in Lakh

Sl.No.	Particulars	Key Managerial Person refer to (i)		Enterprises over which KMP is able to exercise significant influence, refer to (ii)	
		31.03.2021 Rs. in Lakh	31.03.2020 Rs. in Lakh	31.03.2021 Rs. in Lakh	31.03.2020 Rs. in Lakh
1	Legal & Professional Expenses Paid Khaitan and Co. LLP			1.25	1.26
2	Lease Rent Received Spell Fashions Pvt Ltd			3.60	3.60
3	Interest on Security Deposit A.R. Commercial Private Limited Indo Textiles & Fibres Limited A.S. Chemotex pvt. Ltd.			8.27 9.09 0.83	7.51 8.26 0.76
4	Interest paid/ payable on Loans taken Sanjiv Shroff Rahul Shroff Ameya Shroff Modern Fibotex India Limited Sunrise Producers Pvt Ltd A.R.Fibtex Pvt. Ltd.	5.94 3.84 2.78	10.78 4.23 4.82	101.58 11.00	85.06 11.02 4.20
5	Loan Received Rahul Shroff Ameya Shroff Sanjiv Shroff Modern Fibotex India Limited	57.00 6.00	54.00 13.50 121.00	220.50	456.50
6	Repayment of Loans Received Rahul Shroff Ameya Shroff Sanjiv Shroff Modern Fibotex India Limited Sunrise Producers Pvt Ltd A.R.Fibtex Pvt. Ltd.	42.15 37.95 122.53 - - -	12.00 5.00 10.00 - - -	182.86 7.66 -	420.16 - 58.78



Sl.No.	Particulars	Key Managerial Person refer to (i)		Enterprises over which KMP is able to exercise significant influence, refer to (ii)	
		31.03.2021 Rs. in Lakh	31.03.2020 Rs. in Lakh	31.03.2021 Rs. in Lakh	31.03.2020 Rs. in Lakh
7	Rent paid/Payable Indo Textiles & Fibres Limited A.S. Chemotex pvt. Ltd. A.R. Commercial Private Limited			46.35 18.90 18.00	46.35 18.90 18.00
8	Purchase for Sales Promotion Spell Fashions Pvt Ltd			20.86	27.71
	Year end Balance receivable Year End Balance payable			200.00 1016.11	181.82 942.32
	Compensation to Key managerial Person#				
	Short Term employee benefit				
1	Rahul Shroff	67.52	67.96		
2	Ameya Shroff	60.35	60.73		
3	Sanjiv Shroff	78.43	78.87		
4	Amar Inder Singh Jassar	0.00	29.75		
5	R. Chandrasekaran	47.26	25.23		
6	Vimal Tank	1.52	9.02		
7	Chirag Gupta	5.98	-		
	Sitting Fees to Non Executive Director	4.83	2.64		

Note:

- # The remuneration to Key Managerial Personnel's stated above does not include provision/payment towards incremental liability on account of gratuity and compensated absences since actuarial valuation is done for the Company as a whole.
- * Mr. Kishori Lal Sonthalia, Non-Executive-Independent Director of the Company passed away on November 21, 2020
- ** Mr. Ram Niwas Sharma was re-designated as Non-Executive-Independent Director of the Company w.e.f. February 10, 2021 with the approval of Shareholders via Postal Ballot dated February 10, 2021.
- ^ Mr. Vimal Tank ceased to be Company Secretary of the Company w.e.f. April 30, 2020. Further, his salary also includes Leave encashment.
- \$ Mr. Chirag Gupta was appointed as the Company Secretary of the Company w.e.f. June 26, 2020.

NOTE NO. 53

Previous Year, figures have been regrouped / rearranged, wherever necessary.

Signatures to Notes 1 to 53

Significant Accounting Policies and Notes
to Accounts (Note No. 36 to 53)

As per our Report of even date.

For & On behalf of Board of Directors

For Jain Pramod Jain & Co.
Chartered Accountants
(Firm Registration No. 016746N)

P.K. JAIN
Partner
M.No. 010479
Place : New Delhi
Dated : 21.06.2021

CHIRAG GUPTA
Company Secretary
M.No. 50843

R. CHANDRASEKARAN
Chief Financial
Officer

SANJIV SHROFF
Managing Director
DIN- 00296008

RAHUL SHROFF
Executive Director
DIN - 02301693



RELIANCE CHEMOTEX INDUSTRIES LIMITED

Registered Office: Village Kanpur, Udaipur-313003 (Raj)
CIN: L40102RJ1977PLC001994 Contact: 0294-2490488, Fax No. : 0294 -2490067
Email: cs@reliancechemotex.com Website: www.reliancechemotex.com

NOTICE OF FORTY THIRD (43rd) ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT THE (43rd) FORTY THIRD ANNUAL GENERAL MEETING ("AGM") OF THE MEMBERS OF RELIANCE CHEMOTEX INDUSTRIES LTD. ("THE COMPANY") WILL BE HELD ON MONDAY, AUGUST 16, 2021 AT 10:45 A.M. (IST) THROUGH VIDEO CONFERENCING ("VC") OR OTHER AUDIO VISUAL MEANS ("OAVM") TO TRANSACT THE FOLLOWING BUSINESS:

ORDINARY BUSINESS:

1. To adopt the Audited Financial Statements of the Company for the financial year ended on March 31, 2021, together with reports of the Board of Directors and Auditors thereon.
2. To declare Final dividend of Rs. 2/- per equity share of Rs. 10/- each.
3. To appoint a Director in place of Mr. Rahul Shroff (DIN: 02301693) who retires by rotation, and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Mr. Ameya Shroff (DIN: 05315616) who retires by rotation, and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

5. To ratify the remuneration of cost auditors for the financial year 2021-22.

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

"RESOLVED THAT pursuant to provisions of Section 148 and other applicable provisions, if any, of The Companies Act, 2013 read with The Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) the payment of the remuneration of Rs. 60,000/- (Rupees Sixty Thousand Only) plus applicable Tax and reimbursement of out of pocket expenses at actual to M/s. N N & Associates, Cost Accountants (Firm Registration No. 002322) who were appointed by the Board of Directors of the Company, as "Cost Auditors" to conduct the audit of the cost records maintained by the Company for Financial Year ending on March 31, 2022, be and is hereby ratified and approved.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, matters and things and to take all such steps as may be necessary, proper or expedient to give effect to this resolution."

Date: Udaipur

Place: June 21, 2021

By the order of the Board
For Reliance Chemotex Industries Limited

Registered Office:

Village- Kanpur
Post Box No. 73
Udaipur- 313003

Sd/-
Chirag Gupta
Company Secretary
M.No: 50843



NOTES FOR MEMBERS' ATTENTION

1. In view of the Covid-19 pandemic, the Ministry of Corporate Affairs ("**MCA**") has vide its circular dated January 13, 2021 read together with circulars dated April 08, 2020, April 13, 2020 and May 05, 2020 ("**MCA Circulars**"), and Securities and Exchange Board of India ("**SEBI**") vide its circular no. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021 read together with its circular no. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 ("**SEBI Circular**") permitted the holding of the Annual General Meeting ("**AGM**") through VC / OAVM, without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 ("**Act**"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**Listing Regulations**") and MCA Circulars and SEBI Circular, the AGM of the Company will be held through VC / OAVM. Hence, Members can attend and participate in the AGM through VC/OAVM only. The deemed venue for the 43rd AGM of the Company shall be the Registered Office of the Company. The detailed procedure for participating in the meeting through VC/OAVM is annexed herewith.
2. National Securities Depository Limited ("**NSDL**") will be providing facility for remote e-voting, participation in the AGM through VC/OAVM and e-voting during the AGM.
3. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on poll on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.

However, pursuant to Section 113 of the Act, Institutional/ Corporate Members (i.e. other than Individuals / HUF, NRI, etc.) can appoint their representatives to attend the AGM through VC/OAVM and vote through e-voting. They are requested to send the scanned copy (PDF/JPEG Format) of their Board or governing body Resolution/Authorization etc., authorizing their representative to attend the AGM through VC/OAVM to the company by e-mail through its registered e-mail address to cs@reliancechemotex.com with a copy marked to evoting@nsdl.co.in.

4. In compliance with the aforesaid MCA Circulars and SEBI Circular, Notice of the AGM inter-alia, indicating the process and manner of voting through electronic means along with the Annual Report 2020-21 is being sent only through electronic

mode to those Members whose e-mail addresses are registered with the Company / Depositories. Members may note that the Notice and Annual Report 2020-21 will also be available on the Company's website i.e. www.reliancechemotex.com along with website of the Stock Exchange i.e. at BSE Limited at www.bseindia.com and on the website of NSDL i.e. <https://www.evoting.nsdl.com>.

5. 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 AGM.
6. Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
7. Members may note that the VC/OAVM Facility, provided by NSDL, allows participation of maximum 1,000 Members on a first-come-first-served basis. The large shareholders (i.e. shareholders holding 2% or more shareholding), promoters, institutional investors, directors, key managerial personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, auditors, Scrutinizer etc. can attend the AGM without any restriction on account of first come first-served principle.
8. Explanatory Statements setting out the material facts concerning each item of Special Business to be transacted at the AGM pursuant to Section 102 of the Act are annexed hereto and forms part of the Notice. Information on the Directors seeking re-appointment at the AGM as required under Regulation 36(3) of the Listing Regulations and Secretarial Standard on General Meeting issued by ICSI is provided and is forming part of the Notice.
9. Pursuant to the provisions of Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (including any amendments made therein) ("**The Rules**"), all shares in respect of which dividend has not been paid or claimed by the shareholders for 7 (seven) consecutive years or more would be transferred to the DEMAT Account created by Investor Education and Protection Fund (**IEPF**) Authority. The Company has sent reminder letters to the shareholders whose shares are proposed to be transferred to IEPF, relating to transfer of underlying shares. The details of unclaimed dividends along with full details of such shareholders are available on company's website <https://www.reliancechemotex.com/reports/financial-reports/>
10. All unclaimed dividend of Financial Year FY 2012-13 along with the Interim Dividend declared in 2013-14 has been transferred into Investor Education Protection Fund of the Central



Government. Pursuant to provision of Investor Education Protection Funds Rules, the Company has uploaded the details of the unpaid and unclaimed dividends amounts lying with the Company on the website of the Company. Unclaimed Final dividend of the FY 2013-14 will fall due for transfer to the said funds in due time. Those members who have not encashed their Final dividend for the Financial Year 2013-14 are requested to claim it from company or Bigshare Services private limited, the Registrar and share transfer agent of the Company, immediately. Those members who have not so far claimed their dividend for the subsequent Financial year are also advised to claim it from company.

The Members/Claimants whose shares, unclaimed dividend amount have been transferred to IEPF may claim the shares or apply for refund by making an application to IEPF Authority in Form IEPF 5 (available on www.iepf.gov.in) along with applicable requisite fee. The Member/Claimant can file only one consolidated claim in a financial year as per the IEPF Rules.

11. Pursuant to Circular No. SEBI/HO/MIRSD/DOP1/CIR/ P/2018/ 73 dated April 20, 2018 has mandated registration of Permanent Account Number (PAN) and Bank Account Details for all securities holders. Members holding shares in physical form are therefore, requested to submit their PAN and Bank Account Details to Company or its RTA by sending a duly signed letter along with self-attested copy of PAN Card and original cancelled cheque. The original cancelled cheque should bear the name of the Member. In the alternative, Members are requested to submit a copy of bank passbook / statement attested by the bank. Members holding shares in demat form are requested to submit the aforesaid information to their respective Depository Participant.
12. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013 and the Register of Contracts and Arrangements in which Directors are interested maintained under Section 189 of the Companies Act, 2013 and all other documents referred to in the Notice will be available for inspection during the meeting in electronic mode.
13. Members may note that the Board of Directors, in its meeting held on June 21, 2021 has recommended a final dividend of Rs. 2/- per share. The record date for the purpose of final dividend for fiscal year 2021 will be **August 09, 2021**. The final dividend, once approved by the members in the ensuing AGM will be made within 30 days of the date of declaration i.e. **August 16, 2021**, electronically through various online transfer modes to those members who have updated their bank account details. The books of the company shall remain closed from **August 10, 2021** till **August 16, 2021** for annual closing and in connection

with payment of final dividend, if confirmed by the members in AGM. For members who have not updated their bank account details, dividend warrants / demand drafts / cheques will be sent out to their registered addresses. To avoid delay in receiving the dividend, members are requested to update their KYC with their depositories (where shares are held in dematerialized mode) and with the Company's Registrar and Transfer Agent (RTA) (where shares are held in physical mode) to receive the dividend directly into their bank account on the payout date.

14. Members may note that the Income Tax Act, 1961, (**"The IT Act"**) as amended by the Finance Act, 2020, mandates that dividends paid or distributed by a company after April 01, 2020 shall be taxable in the hands of members. The Company shall therefore be required to deduct tax at source (TDS) at the time of making the payment of final dividend as per the requirement of the Income Tax Act, 1961 for the eligible shareholders.
15. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants (DPs) with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to RTA viz. Bigshare Services Private Limited/ Company.
16. SEBI vide its Notification No. SEBI/LAD-NRO/GN/2018/24 dated June 08, 2018 & Notification No. SEBI/LAD-NRO/GN/2018/49 dated November 30, 2018 amended Regulation 40 of Listing Regulations, 2015, which provides that from April 01, 2019 transfer of securities would not be processed unless the securities are held in the dematerialized form with a depository. In view of the same, now the shares cannot be transferred in the physical mode. Hence, Members holding shares in physical form are requested to dematerialize their holdings immediately. However, Members can continue to make request for transmission or transposition of securities held in physical form.
17. The Act in line with the measures undertaken by the Ministry of Corporate Affairs for promotion of Green Initiative, has introduced enabling provisions for sending notice of the meeting and other shareholder correspondences through electronic mode. Members holding shares in physical mode are requested to register their e-mail address with the Company/RTA and Members holding shares in demat mode are requested to register their e-mail address with their respective Depository Participants (DPs). If there is any change in the e-mail address already registered with the Company, Members are requested to immediately notify such change to the



Company or its RTA in respect of shares held in physical form and to DPs in respect of shares held in electronic form.

18. Instructions for voting through electronic means (e-voting), joining the AGM & other instructions relating thereto are as under:

VOTING THROUGH ELECTRONIC MEAN

- i. In compliance with the provisions of Section 108 of the Act read with the Companies (Management and Administration) Rules, 2014 and Regulation 44 of the Listing Regulations, the Company is pleased to provide to its Members, facility to exercise their right to vote on resolutions proposed to be passed in the Meeting by electronic means.
- ii. The Company has engaged the services of NSDL as the Agency to provide remote e-voting facility and e-voting during the AGM
- iii. The Board has appointed CS Manoj Maheshwari, Practicing Company Secretary (FCS 3355) and partner of M/s V. M. & Associates, Company Secretaries as the scrutinizer for conduct of e-voting in a fair and transparent manner for the purpose of 43rd AGM of the Company.
- iv. Voting rights of the Members for voting through remote e-voting and voting during the AGM shall be in proportion to shares of the paid-up equity share capital of the Company as on the cut-off date i.e. **August 09, 2021**. A person, whose name is recorded in the Register of Members or in the Register of Beneficial owners (as at the end of the business hours) maintained by the depositories as on the cut-off date shall only be entitled to avail the facility of remote e-voting and voting during the AGM.
- v. The remote e-voting facility will be available during the following period:
 - a. Commencement of remote e-voting: 9.00 A.M. (IST) on **August 12, 2021**
 - b. End of remote e-voting: 5.00 P.M. (IST) on **August 15, 2021**
 - c. The remote e-voting will not be allowed beyond the aforesaid date and time and the remote e-voting module shall be disabled by NSDL upon expiry of aforesaid period.
- vi. Those Members who will be present in the AGM through VC / OAVM facility and have not cast 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 during the AGM.
- vii. The Members who have cast their vote by remote e-voting prior to the AGM may also attend/ participate in the AGM through VC / OAVM but shall not be entitled to cast their vote again.
- viii. Any person, who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holds shares as on the cut-off date, may obtain the login ID and

password by sending a request at evoting@nsdl.co.in mentioning their demat account number/folio number, PAN, name and registered address. However, if he/she is already registered with NSDL for remote e-voting then he/she can use his/her existing User ID and password for casting the vote.

- ix. **Process and manner for Remote e-voting are explained herein below:**

Step 1: Access to NSDL e-Voting system

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

- **Details of Step 1 are mentioned below:**

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

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<p>A. NSDL IDeAS facility</p> <ol style="list-style-type: none"> If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the “Beneficial Owner” icon under “Login” which is available under “IDeAS” section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on options available against company name or e-Voting service provider – NSDL and you will be re-directed to NSDL e-Voting website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select “Register Online for IDeAS” Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp <p>B. E-Voting Website of NSDL</p> <ol style="list-style-type: none"> Visit the e-Voting website of NSDL. Open web browser by typing the following URL:



Type of shareholders	Login Method
	<p>https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on options available against company name or e-Voting service provider - NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p>
Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi/ Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi. After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL. Click on NSDL to cast your vote. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. NSDL where the e-Voting is in progress.
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. Once login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on options available against company name or e-Voting service provider-NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p>

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

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

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Please contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in demat mode with CDSL	Please contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 or 022- 23058542-43

B) Login Method for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

Log-in to NSDL e-Voting website:

- Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/>
- 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, 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://e-services.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below :

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



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

- 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.
 - b) **Physical User Reset Password?"** (If you are holding shares in physical mode) option available on 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 mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
 - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, click 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.

➤ **Details of Step 2 are mentioned below:**

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 116228"** 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. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Company by e-mail to cs@reliancechemotex.com with a copy marked to evoting@nsdl.co.in.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the **"Forgot User Details/Password?"** or **"Physical User Reset Password?"** option available on www.evoting.nsdl.com to reset the password.
3. In case of any grievances connected with facility for remote e-voting, please contact Ms. Pallavi Mhatre, Manager, NSDL, 4 Floor, 'A' Wing, Trade World, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai 400 013, pallavid@nsdl.co.in, Tel: 022-24994545/1800-222-990.

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

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to cs@reliancechemotex.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 cs@reliancechemotex.com. If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at step 1 (A) i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.

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

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

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

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

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

1. Members will be able to attend the AGM through VC / OAVM or view the live webcast of AGM provided by NSDL at <https://www.evoting.nsdl.com> by using their remote e-voting login credentials and selecting the EVEN for Company's AGM. 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. Further Members can also use the OTP based login for logging into the e-voting system of NSDL.
2. Facility of joining the AGM through VC / OAVM shall open 30 minutes before the time scheduled for the AGM and will be available for Members on first come first served basis.

3. Members who need assistance before or during the AGM, can contact NSDL on evoting@nsdl.co.in/1800-222-990.
4. Members seeking any information with regard to the annual accounts for 2020-21 or any business to be dealt at the AGM, are requested to send an e-mail on cs@reliancechemotex.com till August 14, 2021 (up to 4:00 p.m. IST) along with their name, DP ID and Client ID/folio number, PAN and mobile number. The same will be replied by the Company.
5. Subject to receipt of requisite number of votes, the Resolutions shall be deemed to be passed on the date of Meeting August 16, 2021.
6. A person who is not a Member as on the cut-off date should treat this Notice for information purposes only.
7. The Results of voting will be declared within 48 hours from the conclusion of the AGM. The declared Results, along with the Scrutinizer's Report will be submitted with the Stock Exchanges where the Company's equity shares are listed (BSE Limited) and shall also be displayed on the Company's [website www.reliancechemotex.com](http://www.reliancechemotex.com) and NSDL's website <https://www.evoting.nsdl.com>. The Scrutinizer's decision on the validity or otherwise of the E-voting will be final. The relevant information w.r.t. voting by electronic means shall be under the safe custody of the scrutinizer till the Chairperson/or any other director so authorized consider, approves and sign the minutes.
8. Since the AGM will be held through VC / OAVM, the Route Map is not annexed with Notice.

Date: Udaipur

Place: June 21, 2021

By the order of the Board
For Reliance Chemotex Industries Limited

Registered Office:

Village- Kanpur
Post Box No. 73
Udaipur- 313003

Sd/-
Chirag Gupta
Company Secretary
M.No: 50843



ANNEXURE TO THE NOTICE

EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

ITEM NO. 5

The Board, on the recommendation of the Audit Committee, has approved the appointment and remuneration of M/s N N & Associates, Cost Accountants to conduct the audit of the cost records of the Company for the financial year ending on March 31, 2022.

In accordance with the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditor has to be ratified by the shareholders of the Company.

Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out in Item No. 5 of the Notice for ratification of the remuneration payable to the Cost Auditor for the financial year ending on March 31, 2022.

None of the Directors or Key Managerial Personnel of the Company or their relatives are, in any way, concerned or interested, financially or otherwise, in the Resolution set out at **Item No. 5** of the Notice.

The Board recommends the Ordinary Resolution set forth in Item No. 5 of the Notice for approval of the members.

Date: June 21, 2021

Place: Udaipur

By the order of the Board

For Reliance Chemotex Industries Limited

Registered Office:

Village- Kanpur
Post Box No. 73
Udaipur- 313003

Sd/-
Chirag Gupta
Company Secretary
M.No. 50843



Details of Director seeking appointment/re-appointment at the AGM (Pursuant to Regulation 36(3) of the Listing Regulation and Secretarial Standards -2 of General Meeting):

Position/Post	Executive Director – Wholetime Director	Executive Director – Wholetime Director
Name of the Director	Mr. Rahul Shroff	Mr. Ameya Shroff
DIN	02301693	05315616
Date of Birth	31.12.1986	24.08.1990
Age	34 Years	30 Years
Date of first Appointment	28.07.2008	01.08.2013
Qualification (s)	Bachelor of Science in Management Science and Master of Engineering in Electrical Engineering and Computer Science	Bachelor of Science in Management Science and Master of Engineering in Electrical Engineering and Computer Science
Relationships between the Directors, Manager and other KMPs of the Company	Related to Mr. Sanjiv Shroff, Mrs. Dipika Shroff & Mr. Ameya Shroff	Related to Mr. Sanjiv Shroff, Mrs. Dipika Shroff & Mr. Rahul Shroff
Experience and expertise in specific functional areas	Overall more than 10 years of experience in textile industry	Overall more than 8 years of experience in textile industry
Name(s) of the other Companies in which directorship held as on Date.	1. Indo Textile & Fibres Limited 2. Sunrise Cotton Industries Limited 3. A S Chemotex Pvt. Ltd. 4. Spell fashions Pvt. Ltd. 5. Sunrise Producers Pvt. Ltd.	1. Spell fashions Pvt. Ltd. 2. AR Commercial Pvt. Ltd.
Membership / Chairmanship of the Committees of Boards of other companies	NIL	NIL
No. of Shares held in the Company	NIL	1,24,000 Equity Shares
Remuneration sought to be paid	Terms & conditions as approved by Shareholders via Postal Ballot dated February 10, 2021	Terms & conditions as approved by Shareholders via Postal Ballot dated February 10, 2021
Remuneration last drawn	Rs. 67,51,650/- paid during 2020-21	Rs. 60,35,004/- paid during 2020-21
The number of meetings of the Board attended during the year 2020-21	4 (Four)	4 (Four)
Terms & Conditions of re-appointment	Approval of Shareholders via Postal Ballot dated February 10, 2021	Approval of Shareholders via Postal Ballot dated February 10, 2021

Note : For other details please refer to the corporate governance report which is a part of this Annual Report.

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