



H. R. AGARWAL & ASSOCIATES
CHARTERED ACCOUNTANTS

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INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF GUNNY CHEM TEX INDIA LIMITED

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of **Gunny Chem Tex India Limited** ("the Company") which comprises the Balance Sheet as at March 31, 2023, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

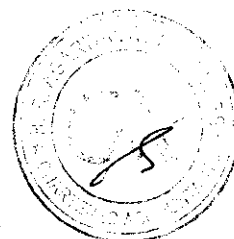
In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, and its profit (including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We did not determine any key audit matter to be communicated in our report.



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

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, but does not include the financial statements and our auditor's report thereon.

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

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

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance (including other comprehensive income), changes in equity and cash flows 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 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 financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the 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.

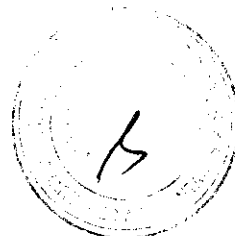


Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.



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

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

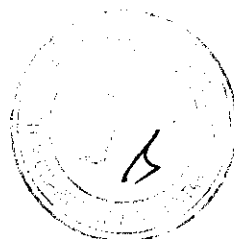
From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation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

Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure – "A", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

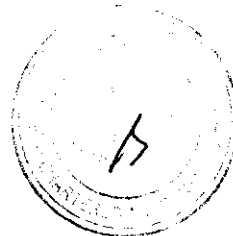
As required by Section 143(3) of the Act, we report that:

- a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c. The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.
- d. In our opinion, the aforesaid financial statements comply with the Ind AS prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.



- e. On the basis of the written representations received from the directors as on 31st March, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2023 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" and
- g. In our opinion, the managerial remuneration for the year ended March 31, 2023 has been paid/provided by the Company to its directors 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 does not have any pending litigations which would impact its financial position.
 - 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.
 - iv. a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

b) The management has represented, that, to the best of its knowledge and belief, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and



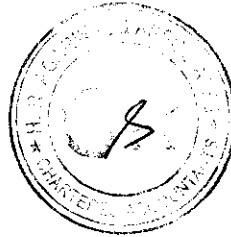
- e) Based on such audit procedures that we considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) as provided under (a) and (b) contain any material mis-statement.
- v. The Company has not declared or paid any dividend during the year.
- vi. As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 (as amended), which provides for books of account to have the feature of audit trail (edit log) in the accounting software used by the Company, is applicable to the Company only with effect from financial year beginning April 1, 2023, the reporting under clause (g) of Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), is not applicable.

For **H.R. Agarwal & Associates**
Chartered Accountants
Firm Reg. No: 323029E

Shyam Sundar Agarwal

(C.A. Shyam Sundar Agarwal)
Partner

Membership No: 060033
UDIN: 23060033BGUDFH2902



Place: Kolkata
Date: May 29, 2023

Annexure – A to the Independent Auditors' Report

The Annexure referred to in our Independent Auditors' Report to the members of the Company on the financial statements for the year ended 31st March 2023, we report that:

1. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment. The Company does not have any intangible assets.

(b) According to the information and explanations given to us, the Property, plant and equipment have been physically verified by the management in accordance with a phased programme of verification, which in our opinion is reasonable, considering the size and the nature of its business. The frequency of verification is reasonable and no material discrepancies have been noticed on such physical verification.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company does not hold any immovable property.

(d) The Company has not revalued any of its Property, Plant and Equipment (including Right-of-Use Assets) during the year.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
2. (a) The inventories of Shares being held in electronic mode. Accordingly, paragraph 3(ii)(a) of the Order is not applicable.

(b) The Company has not been sanctioned any working capital facility by banks or financial institutions during the year on the basis of security of its current assets. Accordingly, paragraph 3(ii)(b) of the Order is not applicable.
3. (a) Since the Company's principal business is to give loans. Accordingly, the provision of clause 3(iii)(a) of the Order is not applicable to it.



(b) In respect of the investments/ loans / securities, the terms and conditions under which such investments were made/loans were granted / securities provided are not prejudicial to the Company's interest.

(c) In our opinion and according to the information and explanations given to us, in respect of loans and advances in the nature of loans, the schedule of repayment of principal and payment of interest has been stipulated and in cases where repayment of principal and payment of interest is not received as stipulated, the cognizance thereof is taken by the Company in course of its periodic regulatory reporting

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no overdue amount for more than ninety days in respect of loans given. In cases where repayment of principal and payment of interest is not received as stipulated, the cognizance thereof is taken by the Company in course of its periodic regulatory reporting. According to the information and explanation made available to us, reasonable steps are taken by the Company for recovery thereof.

(e) Since the Company's principal business is to give loans. Accordingly, the provision of clause 3(iii)(e) of the Order is not applicable to it.

(f) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not given any loans either repayable on demand or without specifying any terms or period of repayment.

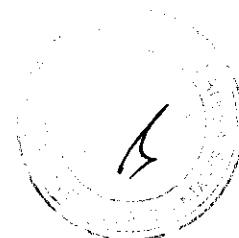
4. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 to the extent applicable to it.
5. The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the Order is not applicable.
6. As informed to us, the Central Government has not prescribed maintenance of cost records under sub-section (1) of Section 148 of the Act, in respect of the activities carried on by the Company.



7. a) According to the information and explanations given to us and on the basis of our examination of the books and records of the Company, the Company is regular in depositing undisputed statutory dues (including GST, income tax, other statutory dues applicable to it) with appropriate authorities. According to the information and explanations given to us, there were no undisputed amounts payable in respect of GST, Income-tax, and other statutory dues in arrears were outstanding as at 31st March, 2023 for a period of more than six months from the date they became payable.
- b) According to the information and explanations given to us, there are no such statutory dues which have not been deposited on account of any dispute.
8. According to the information and explanations given to us and the records of the Company examined by us, there are no transactions in the books of account that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.
9. (a) The Company does not have any loans or borrowings and repayment to lenders during the year. Accordingly, the reporting under clause 3(ix)(a) to (d) of the Order is not applicable to the Company.
- (e) The Company did not have any subsidiaries, joint ventures or associate companies during the year and hence clause ix (e) of paragraph 3 of CARO,2020 does not apply to the Company.
- (f) The Company did not have any subsidiaries, joint ventures or associate companies during the year and hence clause ix (f) of paragraph 3 of CARO,2020 does not apply to the Company.
10. (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the reporting under clause 3(x)(a) of the Order is not applicable to the Company.
- (b) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully, partly or optionally convertible debentures during the year. Accordingly, the provisions stated in paragraph 3 (x)(b) of the Order are not applicable to the Company.



11. (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company, noticed or reported during the year, nor have we been informed of any such case by the Management.
- (b) In our opinion and according to the information and explanations given to us, no report under sub-section (12) of section 143 of the Act has been filed by the auditors in Form ADT - 4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) According to the information and explanations given to us, there were no whistle blower complaints received during the year by the Company.
12. According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.
13. In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with Sections 177 and 188 of the Companies Act, 2013, where applicable, and the details of the related party transactions have been disclosed in the financial statements as required by the applicable Indian Accounting Standards.
14. (a) In our opinion and according to the information and explanation given to us, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) The reports of the Internal Auditor for the period under audit have been considered by us.
15. In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Companies Act, 2013 are not applicable to the Company.

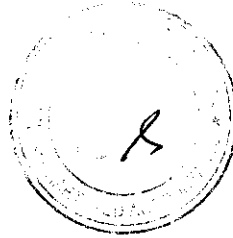


16. (a) The Company is required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934 and the Company has obtained the required registration.
- (b) According to the information and explanations given to us, the Company has not conducted any Non-Banking Financial or Housing Finance activities without obtaining a valid CoR from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.
- (c) According to the information and explanations given to us, the Company is not a Core Investment Company ('CIC') as defined under the Regulations by the Reserve Bank of India.
- (d) According to the information and explanations provided to us during the course of audit, the Group does not have any CIC. Accordingly, the requirements of clause 3(xvi)(d) are not applicable.
17. The Company has not incurred any cash losses in the financial year or in the immediately preceding financial year.
18. There has been no resignation of the statutory auditors during the year and accordingly the reporting under clause 3 (xviii) is not applicable.
19. On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as at the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
20. According to the information and explanations given to us, the provisions of section 135 of the Act are not applicable to the Company. Hence, the provisions of paragraph (xx)(a) to (b) of the Order are not applicable to the Company.



21. The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of standalone Financial Statements. Accordingly, no comment in respect of the said clause has been included in this report.

For **H.R. Agarwal & Associates**
Chartered Accountants
Firm Reg. No: 323029E



S. Shyam Sundar Agarwal
(C.A. Shyam Sundar Agarwal)
Partner

Membership No: 060033
UDIN: 23060033BGUDFH2902

Place: Kolkata
Date: May 29, 2023

Annexure - B to the Independent Auditors' Report

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

We have audited the internal financial controls over financial reporting of **Gunny Chem Tex India Limited** ("the Company") as of 31st March 2023 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") 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 an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.



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

Meaning of Internal Financial Controls with reference to Financial Statements

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 detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised 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 with reference to Financial Statements

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls over financial reporting with reference to financial statements and such internal financial controls over financial reporting with reference to financial statements were operating effectively as at 31st March 2023, 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 **H.R. Agarwal & Associates**
Chartered Accountants
Firm Reg. No: 323029E



Shyam Sundar Agarwal
(C.A. Shyam Sundar Agarwal)
Partner

Membership No: 060033
UDIN: 23060033BGUDFH2902

Place: Kolkata
Date: May 29, 2023

GUNNY CHEM TEX INDIA LTD
CIN: L51492WB1983PLC035994
BALANCE SHEET AS AT 31ST MARCH 2023

(Rupees in hundreds)

S. No.	Particulars	Note No.	As at 31 March, 2023 Rs.	As at 31 March, 2022 Rs.
	ASSETS			
1	Financial Assets			
(a)	Cash and Cash Equivalents	2	8,582.25	45,404.13
(b)	Loans	3	12,88,015.39	10,99,480.29
(c)	Investments	4	12,37,790.50	9,21,543.73
(d)	Other Financial Assets	5	-	2,96,400.00
2	Non-Financial Assets			
(a)	Inventories	6	4,02,955.32	4,06,429.68
(b)	Property, Plant and Equipment	7	32.37	32.37
(c)	Other Non-Financial Assets	8	1,20,800.01	1,32,948.46
	Total Assets		30,58,175.85	29,02,238.66
	LIABILITIES AND EQUITY			
	LIABILITIES			
1	Non-Financial Liabilities			
(a)	Provisions	9	28,412.00	32,662.00
(b)	Other Non-Financial Liabilities	10	253.40	1,099.40
2	Equity			
(a)	Equity Share Capital	11	2,58,400.00	2,58,400.00
(b)	Other Equity	12	27,71,110.45	26,10,077.26
	Total Liabilities and Equity		30,58,175.85	29,02,238.66

Notes 1-30 form an integral part of these financial statements.

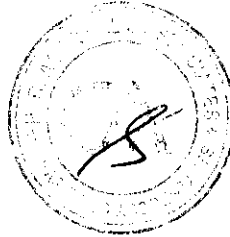
In term of our report of even date annexed herewith

For **H.R. Agarwal & Associates**
Chartered Accountants
Firm Reg. No. 323029E

Agarwal.

CA SHYAM SUNDAR AGARWAL
Partner
Membership No. FCA 060033

Place: Kolkata
Date: May 29, 2023



For and on behalf of the Board

Kishen

Kishen Kumar Sharma
Managing Director
DIN: 06436421

Vinit Agarwal

Vinit Agarwal
Director
DIN: 06385158

Anita Bothra
Anita Bothra
Company Secretary

GUNNY CHEM TEX INDIA LTD

CIN: L51492WB1983PLC035994

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31.03.2023

(Rupees in hundreds)

S. No.	Particulars	Note No.	For the Year ended 31.03.2023 Rs.	For the Year ended 31.03.2022 Rs.
I.	Revenue from Operations			
	Interest Income	13	1,05,139.10	90,584.27
	Dividend Income		1,725.02	3,599.99
	Net Gain / (Loss) on Trading in Shares and Securities		8,559.09	53,956.52
	Net Gain / (Loss) on Speculation in Shares & Securities		-	(50.11)
	Net Gain / (Loss) on Sale of Investments		(8,546.76)	79,349.41
	Income From Mutual Fund		12.52	111.74
	Total Revenue from operations		1,06,888.97	2,27,551.83
II.	Other Income		572.07	-
III.	Total Income (I+II)		1,07,461.04	2,27,551.83
IV.	Expenses			
	Employee Benefits Expenses	14	9,612.07	9,894.14
	Others Expenses	15	7,034.38	6,180.68
	Total Expenses		16,646.45	16,074.82
V.	Profit / (Loss) Before Tax		90,814.60	2,11,477.01
	Tax Expense:			
	Current Tax		25,000.00	27,300.00
	Income Tax for Earlier Years		(1,981.57)	-
VI.	Profit / (Loss) for the period		67,796.17	1,84,177.01
	Other Comprehensive Income			
	Items that will not be reclassified to profit or loss			
	(i) Fair Valuation of Equity Instruments through Other Comprehensive Income		93,237.02	1,20,929.44
	Other Comprehensive Income		93,237.02	1,20,929.44
	Total Comprehensive Income for the period		1,61,033.19	3,05,106.45
	Earnings per equity share			
	Basic (Rs.)		2.62	7.13
	Diluted (Rs.)		2.62	7.13

Notes 1-30 form an integral part of these financial statements.

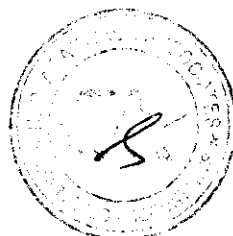
In term of our report of even date annexed herewith

For H.R. Agarwal & Associates
Chartered Accountants
Firm Reg. No. 323029E

Agarwal.

CA SHYAM SUNDAR AGARWAL
Partner
Membership No. FCA 060033

Place: Kolkata
Date: May 29, 2023



For and on behalf of the Board

Sharma.

Kishen Kumar Sharma
Managing Director
DIN: 06436421

Vinit Agarwal.

Vinit Agarwal
Director
DIN: 06385158

Anita Bothra.
Anita Bothra
Company Secretary

GUNNY CHEM TEX INDIA LTD
CIN: L51492WB1983PLC035994

STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31.03.2023

(Rupees in hundreds)

S.No.	Particulars	For the year ended 31.03.2023 Rs.	For the year ended 31.03.2022 Rs.
A.	CASH FLOW FROM OPERATING ACTIVITIES		
	Profit before tax	90,814.60	2,11,477.01
	Adjustment for:		
	Net Loss / (Gain) on Sale of Investments	8,546.76	(79,349.41)
	Operating Profit	99,361.36	1,32,127.60
	Adjustment for working capital changes		
	Decrease/(Increase) in Loans	(1,88,534.57)	10,355.42
	Decrease/(Increase) in Inventories	3,474.35	47,546.19
	Decrease/(Increase) in Other Financial Assets	2,96,400.00	(2,96,400.00)
	Increase / (decrease) in Other Non-Financial Liabilities	(846.00)	822.40
	Cash generated / (used) from operations	2,09,855.14	(1,05,548.40)
	Income Tax Paid (net of refunds)	(15,120.51)	(23,334.00)
	Net cash generated / (used) from operating activities (A)	1,94,734.63	(1,28,882.40)
B.	CASH FLOW FROM INVESTING ACTIVITIES		
	(Purchase) / Sale of Investments	(2,31,556.51)	1,66,287.31
	Net cash generated / (used) from investing activities (B)	(2,31,556.51)	1,66,287.31
C.	CASH FLOW FROM FINANCING ACTIVITIES		
	Net cash generated / (used) from financing activities (C)	-	-
	Net Increase/(decreased) in cash and cash equivalents during the year (A+B+C)	(36,821.88)	37,404.91
	Cash and cash equivalents at the beginning of the year	45,404.13	7,999.22
	Cash and cash equivalents at the end of the year	8,582.25	45,404.13

Notes:

- (i) The above cash flow statement has been prepared under indirect method as set out in Ind AS 7: "Statement of Cash Flows" as specified under section.133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standard) Rules, 2015 (as amended).
- (ii) Figures in brackets indicate cash outflows.

Notes 1-30 form an integral part of these financial statements.

In term of our report of even date annexed herewith

For. **H.R. Agarwal & Associates**
Chartered Accountants
Firm Reg. No. 323029E

Hagarwal.

CA SHYAM SUNDAR AGARWAL
Partner
Membership No. FCA 060033

Place: Kolkata
Date: May 29, 2023



For and on behalf of the Board

Kishen Kumar Sharma

Kishen Kumar Sharma
Managing Director
DIN: 06436421

Vinit Agarwal.

Vinit Agarwal
Director
DIN: 06385158

Anita Bothra.
Anita Bothra
Company Secretary

GUNNY CHEM TEX INDIA LTD

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2023

A) SHARE CAPITAL

(1) Current Reporting Period		(2) Previous Reporting Period		(Rupees in hundreds)	
Balance at the beginning of the current reporting period (As at 1st April 2022)	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance at the end of the current reporting period (As at 31st March, 2023)	
2,58,400.00	-	2,58,400.00	-	2,58,400.00	

(1) Current Reporting Period		(2) Previous Reporting Period		(Rupees in hundreds)	
Balance at the beginning of the current reporting period (As at 1st April 2021)	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance at the end of the current reporting period (As at 31st March, 2022)	
2,58,400.00	-	2,58,400.00	-	2,58,400.00	

B) OTHER EQUITY

Particulars	Capital Reserve	Securities Premium	Reserve & Surplus				Other Comprehensive Income	Total
			Statutory Reserve Fund	Amalgamation Reserve	Capital Redemption Reserve	Retained Earnings		
Balance at the beginning of the current reporting period (as at 01.04.2022)	-	20,28,600.00	72,886.58	-	-	96,313.30	4,12,277.38	26,10,077.26
Changes in accounting policy/prior period errors	-	-	-	-	-	-	-	-
Restated balance at the beginning of the current reporting period	-	20,28,600.00	72,886.58	-	-	96,313.30	4,12,277.38	26,10,077.26
Profit for the year	-	-	-	-	-	67,796.17	-	67,796.17
Other comprehensive income for the year	-	-	-	-	-	-	93,237.02	93,237.02
Total comprehensive income for the year	-	-	-	-	-	67,796.17	93,237.02	1,61,033.19
Dividend	-	-	-	-	-	-	-	-
Any other changes:	-	-	-	-	-	-	-	-
Transfer to statutory reserve fund	-	-	13,560.00	-	-	(13,560.00)	-	-
Balance at the end of the current reporting period (as at March 31, 2023)	-	20,28,600.00	86,446.58	-	-	1,50,549.46	5,05,514.40	27,71,110.45



Particulars	Capital Reserve	Securities Premium	Reserve & Surplus					Other Comprehensive Income	Total
			Statutory Reserve Fund	Amalgamation Reserve	Other Reserves	Capital Redemption Reserve	Retained Earnings		
Balance at the beginning of the current reporting period (as at 01.04.2021)	-	20,28,600.00	36,051.18	-	-	-	(51,028.31)	2,91,347.94	23,04,970.81
Changes in accounting policy/prior period errors	-	-	-	-	-	-	-	-	-
Restated balance at the beginning of the current reporting period	-	20,28,600.00	36,051.18	-	-	-	(51,028.31)	2,91,347.94	23,04,970.81
Profit for the year	-	-	-	-	-	-	1,84,177.01	1,20,929.44	1,84,177.01
Other comprehensive income for the year	-	-	-	-	-	-	-	1,20,929.44	1,20,929.44
Total comprehensive income for the year	-	-	-	-	-	-	1,84,177.01	1,20,929.44	3,05,106.45
Dividend	-	-	-	-	-	-	-	-	-
Any other changes:	-	-	-	-	-	-	-	-	-
Transfer to statutory reserve fund	-	-	36,835.40	-	-	-	(36,835.40)	-	-
Balance at the end of the current reporting period (as at March 31, 2022)	-	20,28,600.00	72,886.58	-	-	-	96,313.30	4,12,277.38	26,10,077.26

(Rupees in hundreds)

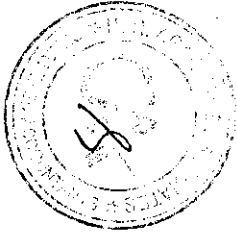
Notes 1-30 form an integral part of these financial statements.
In term of our report of even date annexed herewith

For H.R. Agarwal & Associates
Chartered Accountants
Firm Reg. No. 323029E

H. Agarwal

CA SHYAM SUNDAR AGARWAL
Partner
Membership No. FCA 060033

Place: Kolkata
Date: May 29, 2023



For and on behalf of the Board

Board

Kishen Kumar Sharma
Managing Director
DIN: 06436421

Vinit Agarwal

Vinit Agarwal
Director
DIN: 06385158

Anita Bothra
Anita Bothra
Company Secretary

1. NOTES TO THE FINANCIAL STATEMENTS

(a) COMPANY OVERVIEW

Gunny Chem Tex India Limited ('the Company') is a Public Limited Company incorporated in India with its registered office located at 23B, N S Road, 2nd Floor, Room No. 8B, Kolkata – 700001. The Company is listed on The Calcutta Stock Exchange. The Company is a non-deposit taking Non-Banking Financial Company ("NBFC") registered with the Reserve Bank of India (RBI) under Section 45-IA of the Reserve Bank of India Act, 1934 and primarily engaged in the business of providing loans and making investments in shares and securities.

(b) SIGNIFICANT ACCOUNTING POLICIES

Basis of Preparation of Financial Statements

The financial statements have been prepared in accordance with the Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

Company's financial statements are prepared in Indian Rupees, which is also its functional currency. The Financial Statements have been prepared on a historical cost basis, except for certain financial instruments that are measured at fair values at the end of each reporting period.

Measurement of fair values

The Company's accounting policies and disclosures require the measurement of financial assets and liabilities at fair values. The Company has established policies and procedures with respect to measurement of fair values.

The Company classifies the fair value of its financial instruments in the following hierarchy, based on the inputs used in their valuation:

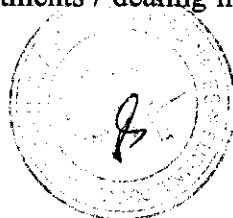
Level 1 - The fair value of financial instruments traded in active markets is based on quoted (unadjusted) market prices at the end of the reporting period.

Level 2 - The fair valuation of instruments not traded in active markets is determined based on observable market data and by using valuation techniques.

Level 3 - Where one or more of the significant inputs are not from observable market data.

Revenue Recognition:

- Profit or losses in respect of Investments / dealing in shares and securities are recognized on trade dates.



- Profit /Loss on dealing in securities and derivatives comprises profit/loss on sale of securities, unrealized profit/loss on securities held as stock in trade and profit/loss on equity derivative instruments.
- Profit/Loss on sale of securities is determined based on the FIFO method. Profit/loss on exchange traded equity derivatives transactions are accounted for based on the 'Guidance Note on Accounting for Equity Index and equity stock Futures and Options 'issued by the Institute of Chartered Accountants of India.
- Dividend income on units of shares/mutual fund is recognised on receipt basis and any gain/losses on mutual fund are recognized on the date of Sale.
- Interest income is accounted on accrual basis except in respect of substandard assets where income is accounted on receipt basis.
- In respect of other items of income, the company accounts the same on Accrual basis.
- **Equity Index/Stock-Futures**
 - a) Equity index/Stock Futures are marked-to-market. Debit or credit balance disclosed under loans and advances or current liabilities, respectively, in the Mark-to-Market-Equity Index/Stock futures account.
 - b) As on the balance sheet date, the Profit/loss on open positions in index/stock futures is accounted for as follows:
 - Credit balance in the "Mark-to-Market Margin-Equity Index/Stock Futures account "being anticipated profit, is ignored and no credit is taken to profit and loss account.
 - Debit balance in the "Mark-to-Market Margin-Equity Index/Stock Futures account "being anticipated loss, is recognized in the profit and loss account.
 - c) On final settlement or squaring-up of contracts for Equity Index/stock Futures, the profit or loss is calculated as difference between settlement/squaring-up price and contract price. Accordingly debit or credit balance pertaining to the settled/squared-up contract in "Mark-to-Market Margin-Equity Index/Stock Futures account" is recognized in the profit and loss account upon expiry of the Contracts. When more than one contract in respect of the relevant series of Equity Index/Stock Futures to which the squared-up contract pertains is outstanding at the time of the squaring-up of the Contract, the contract price of the contract so squared-up is determined using weighted average method for calculating profit/loss on squaring-up.



Financial Assets Initial Recognition

All financial assets are initially recognized at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets, which are not at fair value through profit or loss, are adjusted to the fair value on initial recognition.

Subsequent Measurement

Financial Asset measured at Amortised Cost (AC)

A financial asset is measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method.

Financial assets at fair value through other comprehensive income: (FVTOCI)

Financial assets are subsequently measured at fair value through other comprehensive income if these financial assets are held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on principal and the interest on the principal outstanding.

Financial assets at Fair value through profit or loss: (FVTPL)

Any financial asset not subsequently measured at amortized cost or at fair value through other comprehensive income, is subsequently measured at fair value through profit or loss. Financial assets falling in this category are measured at fair value and all changes are recognized in the Statement of Profit and Loss.

Investments in Subsidiary and Associates

The Company has accounted for its investments in Subsidiary and Associates at cost.

All other equity investments are measured at fair value, with value changes on these instruments, excluding dividends, are recognized in the Other Comprehensive Income (OCI). There is no recycling of the amounts from OCI to profit and loss on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.



Financial Liabilities Initial Recognition

All financial liabilities are initially recognized at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial liabilities, which are not at fair value through profit or loss, are adjusted to the fair value on initial recognition.

Subsequent Measurement

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

De-Recognition

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset.

A financial liability (or a part of a financial liability) is derecognised when the obligation specified in the contract is discharged or cancelled or expires.

Impairment of Financial Assets

The Company applies the Expected Credit Loss (ECL) model for recognizing impairment losses if any on financial assets.

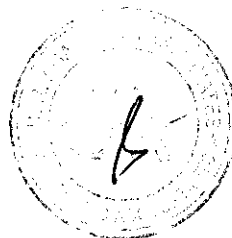
12 months ECL represents the expected default events on the financial asset that are possible within 12 months after the reporting date.

Where the credit risk on the financial assets has not increased significantly since initial recognition, the loss is measured at an amount equal to 12 months ECL.

Where the credit risk on the financial assets has increased significantly since initial recognition, the loss is measured at an amount equal to the lifetime expected credit loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet when the Company has a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis, or realize the asset and settle the liability simultaneously.



Employee Benefits

SHORT TERM EMPLOYEE BENEFITS

As per the employment policy of the Company, short term employee benefits for services rendered by employees are recognized during the period when the services are rendered.

Income Taxes

Income-tax expense comprises current tax (amount of tax for the period determined in accordance with The Income Tax law) and deferred tax charge or credit (reflecting the tax effects of temporary differences between tax bases of assets and liabilities and their carrying amounts in the financial statements). Taxes are recognized in the Statement of Profit and Loss except to the extent it relates to items directly recognized in equity or in the Other Comprehensive Income.

Current tax

Current tax is measured at the amount expected to be paid in respect of taxable income for the year in accordance with the Income Tax Act, 1961. Current tax comprises the tax payable on the taxable income or loss for the year and any adjustment to the tax payable in respect of previous years. It is measured using tax rates enacted or substantively enacted at the reporting date.

Current tax assets and liabilities are offset only if, the Company:

- a) has a legally enforceable right to set off the recognized amounts; and
- b) intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Deferred Tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable income.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities. It is measured using tax rates enacted or substantively enacted at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognized to the extent that it is probable that future taxable income will be available against which the deductible temporary differences can be utilized.



Deferred tax assets are reviewed at each reporting date and based on management's judgement, are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

Deferred tax assets and liabilities are offset only if the Company:

- a) has a legally enforceable right to set off current tax assets against current tax liabilities; and
- b) the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority.

Current and Deferred tax for the year - OCI

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

Property, plant and equipment

The property plant and equipment are the assets held for the use in the supply of services.

Property, plant and equipment's are stated in the balance sheet at cost (net of duty/ tax credit availed) less accumulated depreciation and accumulated impairment losses.

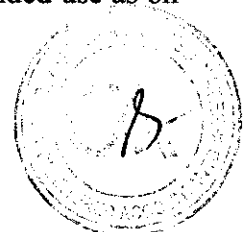
Cost of acquisition is inclusive of freight, non-refundable duties & taxes and other directly attributable cost of bringing the asset to its working condition for the intended use.

Freehold land is not depreciated.

An item is recognised as property plant and equipment if and only if it is probable that future economic benefits associated with the item will flow to the Company and its costs can be measured reliably.

Subsequent expenditure is added to the carrying amount or recognised as separate asset only when it is probable that future economic benefits associated with the item will flow to the Company and the cost can be measured reliably.

Depreciation commences when the assets are ready for their intended use. Where the property plant and equipment is not ready for its intended use as on the balance sheet date it is disclosed as capital work in progress



Depreciation is recognised to write off the cost of assets less their residual values over their useful lives, using the written down value method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

An item of the property plant equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of asset. Any gain or loss arising on the disposal or retirement of the item of property plant equipment is determined as the difference between the sale proceeds and carrying amount of the asset and is recognised in profit and loss.

Investment Property

Properties held to earn rental income or for capital appreciation or both and that is not occupied by the Company is classified as Investment Property.

It is measured initially at cost of acquisition including transaction costs, borrowing cost and other directly attributable cost in bringing the asset to its working condition for its intended use.

Subsequent expenditure is capitalized to the asset carrying amount only when it is probable that the future economic benefit associated with the expenditure will flow to the company.

Though the Company measures investment property using cost-based measurement, the fair value of investment property is disclosed in the notes. Fair values are determined by property valuer, having appropriate recognised professional qualifications and recent experience in the location and category of the property being valued.

Investment properties are derecognised either when they have been disposed off or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in the statement of profit and loss in the period of derecognition.

Impairment of Assets

The carrying amounts of assets are reviewed at each balance sheet date to ascertain impairment based on internal / external factors. An impairment loss is recognised when the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the higher of the net selling price of the assets and their value in use.

The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.



Dividend

The final Dividend on shares is recorded as a liability on the date of approval by the Shareholders and interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors.

Cash Flow Statement

Statement of cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

Provisions and Contingent Liabilities

Provisions are recognized when the Company, as a result of a past event, has a present obligation and it is probable that the Company will be required to settle the obligation for which a reliable estimate can be made.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material). When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent liabilities are disclosed when

- (i) there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company (or)
- (ii) there is a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

Earnings Per Share

The basic earnings per share has been computed by dividing the net income attributable to equity shareholders by weighted average number of equity shares outstanding during the year.

The diluted earnings per share has been computed using weighted average number of shares adjusted for effects of all potentially dilutive equity shares.



(c) Critical accounting judgments and key sources of estimation uncertainty

The preparation of financial statements in accordance with Ind AS requires use of estimates and assumptions for some items, which might have an effect on their recognition and measurement in the balance sheet and statement of profit and loss. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. The actual results may differ from these estimates. The Company's management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Any revision to the accounting estimates is recognised prospectively in the current and future periods.

Useful lives of Property Plant and Equipment / Intangible Assets

Property, Plant and Equipment / Intangible Assets are depreciated / amortised over their estimated useful lives, after taking into account estimated residual value. Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation / amortisation to be recorded during any reporting period. The useful lives and residual values are based on the Company's historical experience with similar assets and take into account anticipated technological changes. The depreciation / amortisation for future periods is revised if there are significant changes from previous estimates.

Impairment of Financial Assets

The impairment provisions for Financial Assets are based on assumptions about risk of default and expected cash loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

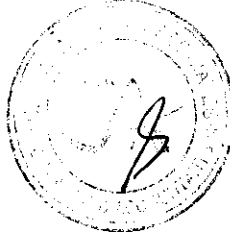


GUNNY CHEM TEX INDIA LTD
NOTES FORMING PART OF ACCOUNTS

NOTE: 2 CASH AND CASH EQUIVALENTS

(Rupees in hundreds)

Particulars	As at 31 March, 2023 Rs.	As at 31 March, 2022 Rs.
(i) Cash on hand	980.94	5,276.47
(ii) Balances with banks in current account	7,601.31	40,127.66
Total	8,582.25	45,404.13



GUNNY CHEM TEX INDIA LTD
NOTES FORMING PART OF ACCOUNTS

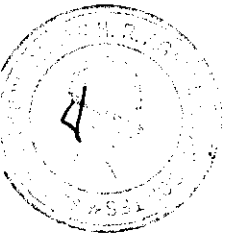
NOTE:3 LOANS

As At 31 March, 2023

As At 31 March, 2022

(Rupees in hundreds)

Particulars	As At 31 March, 2023				As At 31 March, 2022				
	Rs.		Rs.		Rs.		Rs.		
	Amortised Cost	Through Other Comprehensive Income	At Fair value	Designated at fair value through P&L	Amortised Cost	Through Other Comprehensive Income	At Fair value	Designated at fair value through P&L	
				Subtotal	Total			Subtotal	Total
(A)									
Loans repayable on Demand	12,88,015.39	-	-	-	12,88,015.39	10,99,480.29	-	-	10,99,480.29
Total (A)-Gross	12,88,015.39	-	-	-	12,88,015.39	10,99,480.29	-	-	10,99,480.29
Less: Impairment loss	-	-	-	-	-	-	-	-	-
Total (A)-Net	12,88,015.39	-	-	-	12,88,015.39	10,99,480.29	-	-	10,99,480.29
(B)									
Unsecured	12,88,015.39	-	-	-	12,88,015.39	10,99,480.29	-	-	10,99,480.29
Total (B)-Gross	12,88,015.39	-	-	-	12,88,015.39	10,99,480.29	-	-	10,99,480.29
Less: Impairment loss	-	-	-	-	-	-	-	-	-
Total (B)-Net	12,88,015.39	-	-	-	12,88,015.39	10,99,480.29	-	-	10,99,480.29
(C)									
Loans in India									
(i) Public sector	-	-	-	-	-	-	-	-	-
(ii) Others	12,88,015.39	-	-	-	12,88,015.39	10,99,480.29	-	-	10,99,480.29
Total (C) Gross	12,88,015.39	-	-	-	12,88,015.39	10,99,480.29	-	-	10,99,480.29
Less: Impairment loss	-	-	-	-	-	-	-	-	-
Total (C)-Net	12,88,015.39	-	-	-	12,88,015.39	10,99,480.29	-	-	10,99,480.29

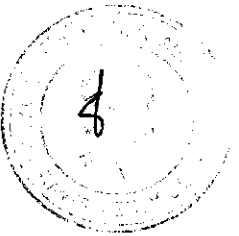


GUNNY CHEM TEX INDIA LTD
NOTES FORMING PART OF ACCOUNTS

NOTE:4 INVESTMENTS

(Rupees in hundreds)

Particulars	As At 31 March, 2023						As At 31 March, 2022					
	Rs.		Rs.		Rs.		Rs.		Rs.		Rs.	
	Amortised Cost	Through Other Comprehensive Income	Through profit or loss	Designated at fair value through P&L	Subtotal	Total	Amortised Cost	Through Other Comprehensive Income	Through profit or loss	Designated at fair value through P&L	Subtotal	Total
(A) Mutual Funds	-	-	-	-	-	-	-	-	-	-	-	-
Equity Instruments - Listed	-	7,47,710.50	-	-	7,47,710.50	7,47,710.50	-	6,54,473.48	-	6,54,473.48	6,54,473.48	-
Equity Instruments - Unlisted	-	4,90,080.00	-	-	4,90,080.00	4,90,080.00	-	2,67,070.25	-	2,67,070.25	2,67,070.25	-
Total (A) Gross	-	12,37,790.50	-	-	12,37,790.50	12,37,790.50	-	9,21,543.73	-	9,21,543.73	9,21,543.73	-
(B) Investment outside India	-	-	-	-	-	-	-	-	-	-	-	-
(ii) Investment in India	-	12,37,790.50	-	-	12,37,790.50	12,37,790.50	-	9,21,543.73	-	9,21,543.73	9,21,543.73	-
Total (B) Gross	-	12,37,790.50	-	-	12,37,790.50	12,37,790.50	-	9,21,543.73	-	9,21,543.73	9,21,543.73	-
(C) Allowance for impairment loss	-	-	-	-	-	-	-	-	-	-	-	-
Total Net D=(A-C)	-	12,37,790.50	-	-	12,37,790.50	12,37,790.50	-	9,21,543.73	-	9,21,543.73	9,21,543.73	-

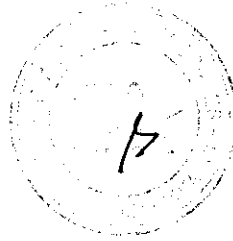


GUNNY CHEM TEX INDIA LTD
NOTES FORMING PART OF ACCOUNTS

NOTE:5 OTHER FINANCIAL ASSETS

(Rupees in hundreds)

Particulars	As at 31 March, 2023 Rs.	As at 31 March, 2022 Rs.
Share Application Money Given Pending Allotment	-	2,96,400.00
Total	-	2,96,400.00



GUNNY CHEM TEX INDIA LTD
NOTES FORMING PART OF ACCOUNTS

NOTE: 6 INVENTORIES

(Rupees in hundreds)

Particulars	As at 31 March, 2023 Rs.	As at 31 March, 2022 Rs.
(i) Equity Shares (Listed)	2,57,195.32	2,60,669.68
(ii) Equity Shares (Unlisted)	1,45,760.00	1,45,760.00
Total	4,02,955.32	4,06,429.68

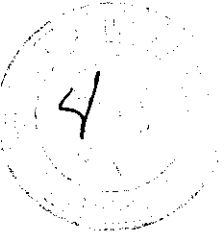


GUNNY CHEM TEX INDIA LTD
NOTES FORMING PART OF ACCOUNTS

NOTE:7 PROPERTY, PLANT AND EQUIPMENTS

(Rupees in hundreds)

Particulars	Air Conditioner	Computer	Furniture & Fixture	Mobile Phone	Total
Gross Block	Rs.				Rs.
Balance as at April 01, 2021	220.00	305.00	17.32	427.00	969.32
Additions	-	-	-	-	-
Disposals	-	-	-	-	-
Balance as at March 31, 2022	220.00	305.00	17.32	427.00	969.32
Additions	-	-	-	-	-
Disposals	-	-	-	-	-
Balance as at March 31, 2023	220.00	305.00	17.32	427.00	969.32
Accumulated Depreciation and Impairment					
Balance as at April 01, 2021	209.00	304.99	17.31	405.65	936.95
Charge for the year	-	-	-	-	-
Disposals	-	-	-	-	-
Balance as at March 31, 2022	209.00	304.99	17.31	405.65	936.95
Charge for the year	-	-	-	-	-
Disposals	-	-	-	-	-
Balance as at March 31, 2023	209.00	304.99	17.31	405.65	936.95
Net carrying amount as at March 31, 2022	11.00	0.01	0.01	21.35	32.37
Net carrying amount as at March 31, 2023	11.00	0.01	0.01	21.35	32.37



GUNNY CHEM TEX INDIA LTD
NOTES FORMING PART OF ACCOUNTS

NOTE:8 OTHER NON-FINANCIAL ASSETS

(Rupees in hundreds)

Particulars	As at 31 March, 2023 Rs.	As at 31 March, 2022 Rs.
Advance Against Office	94,415.11	94,415.11
Balance With Government Authorities	26,384.90	38,532.82
Other	-	0.53
Total	1,20,800.01	1,32,948.46



GUNNY CHEM TEX INDIA LTD

NOTES FORMING PART OF ACCOUNTS

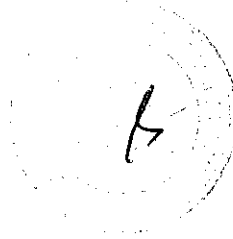
NOTE:9 PROVISIONS

(Rupees in hundreds)

Particulars	As at 31 March, 2023 Rs.	As at 31 March, 2022 Rs.
Provision for Income Tax	25,000.00	29,250.00
Contingent Provision Against Standard Asset	3,412.00	3,412.00
Total	28,412.00	32,662.00

NOTE:10 OTHER NON-FINANCIAL LIABILITIES

Particulars	As at 31 March, 2023 Rs.	As at 31 March, 2022 Rs.
Audit Fees Payable	153.40	389.40
Salary Payable	100.00	710.00
Total	253.40	1,099.40



GUNNY CHEM TEX INDIA LTD
NOTES FORMING PART OF ACCOUNTS

NOTE:11 EQUITY SHARE CAPITAL

(Rupees in hundreds)

Particulars	31.03.2023		31.03.2022	
	No. of Shares	Value Rs	No. of Shares	Value Rs
AUTHORISED:				
Equity Shares of Rs. 10/- each	26,00,000	2,60,000.00	26,00,000	2,60,000.00
	26,00,000	2,60,000.00	26,00,000	2,60,000.00

ISSUED, SUBSCRIBED AND FULLY PAID UP:

Equity Shares of Rs. 10/- each	25,84,000	2,58,400.00	25,84,000	2,58,400.00
	25,84,000	2,58,400.00	25,84,000	2,58,400.00

(a) Reconciliation of shares outstanding at the beginning and at the end of the year:

Equity Shares	31.03.2023		31.03.2022	
	No. of Shares	Value Rs	No. of Shares	Value Rs
Shares outstanding at the beginning of the year	25,84,000	2,58,400.00	25,84,000	2,58,400.00
Add: Issued during the year	-	-	-	-
Shares outstanding at the end of the year	25,84,000	2,58,400.00	25,84,000	2,58,400.00

(b) Terms and rights attached to equity shares

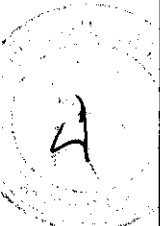
The Company has only one class of equity shares having a par value of Rs. 10 each. Each holder of equity shares is entitled to one vote per share. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the Annual General Meeting. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(c) Details of shareholders holding more than 5% shares in the company.

Name of Shareholder	31.03.2023		31.03.2022	
	Number of Shares	Percentage holding	Number of Shares	Percentage holding
Wallstreet Capital Markets Pvt Ltd	3,00,000	11.61%	3,00,000	11.61%
Punni Sanghavi	3,00,000	11.61%	3,00,000	11.61%
Multiplus Resources Ltd	3,85,000	14.90%	3,85,000	14.90%
Nusarwar Merchants Pvt Ltd	2,50,000	9.67%	2,50,000	9.67%

(d) Shareholding of Promoters - Shares held by promoters at the end of the year

Name of Shareholder	31.03.2023		31.03.2022	
	Number of Shares	Percentage holding	Number of Shares	Percentage holding
	Nil			



GUNNY CHEM TEX INDIA LTD
NOTES FORMING PART OF ACCOUNTS

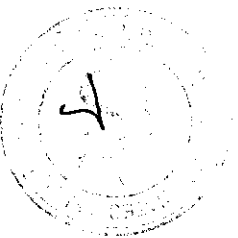
NOTE:12 OTHER EQUITY

Reserves & Surplus	Statutory Reserve Fund	Securities Premium	Retained Earnings	Other Comprehensive Income	Total
Balance as on 01/04/2021	36,051.18	20,28,600.00	(51,028.31)	2,91,347.94	23,04,970.81
Profit for the year	-	-	1,84,177.01	-	1,84,177.01
Additions	36,835.40	-	-	1,20,929.44	1,57,764.84
Transfers	-	-	(36,835.40)	-	(36,835.40)
Total for the year	36,835.40	-	1,47,341.61	1,20,929.44	3,05,106.45
Dividends	-	-	-	-	-
Tax on Dividends	-	-	-	-	-
Balance as on 31/03/2022	72,886.58	20,28,600.00	96,313.30	4,12,277.38	26,10,077.26
Balance as on 01/04/2022	72,886.58	20,28,600.00	96,313.30	4,12,277.38	26,10,077.26
Profit for the year	-	-	67,796.17	-	67,796.17
Additions	13,560.00	-	-	93,237.02	1,06,797.02
Transfers	-	-	(13,560.00)	-	(13,560.00)
Total for the year	13,560.00	-	54,236.17	93,237.02	1,61,033.19
Dividends	-	-	-	-	-
Tax on Dividends	-	-	-	-	-
Balance as on 31/03/2023	86,446.58	20,28,600.00	1,50,549.46	5,05,514.40	27,71,110.45

(Rupees in hundreds)

Other Comprehensive Income

This represents the cumulative gains and losses arising on the revaluation of equity financial instruments measured at fair value through other comprehensive income.



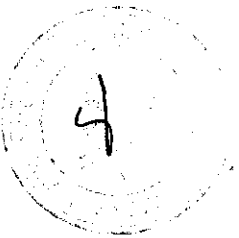
GUNNY CHEM TEX INDIA LTD

NOTES FORMING PART OF ACCOUNTS

NOTE:13 INTEREST INCOME

(Rupees in hundreds)

Particulars	Year Ended 31 March, 2023		Year Ended 31 March, 2022	
	Rs.	Rs.	Rs.	Rs.
Interest on Loans	-	1,05,139.10	-	90,584.27
Other Interest	-	-	-	-
Total	-	1,05,139.10	-	90,584.27



GUNNY CHEM TEX INDIA LTD
NOTES FORMING PART OF ACCOUNTS

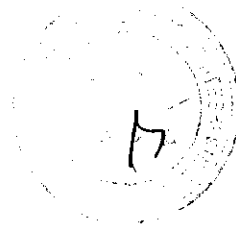
NOTE:14 EMPLOYEE BENEFITS

(Rupees in hundreds)

Particulars	Year Ended 31 March, 2023 Rs.	Year Ended 31 March, 2022 Rs.
Salaries and Bonus	9,275.00	9,712.50
Staff Welfare	337.07	181.64
Total	9,612.07	9,894.14

NOTE:15 OTHER EXPENSES

Particulars	Year Ended 31 March, 2023 Rs.	Year Ended 31 March, 2022 Rs.
Communication Costs	339.30	210.84
Printing & Stationery	784.40	486.68
Advertisement Expenses	156.35	160.51
Auditors Remuneration:		
For Audit Fees	153.40	153.40
For Other Services	-	177.00
Professional & Consultancy Charges	1,305.00	1,550.00
Securities Transaction Tax	6.03	231.43
Listing Fees	472.00	295.00
Other Expenditure	3,817.90	2,915.82
Total	7,034.38	6,180.68



GUNNY CHEM TEX INDIA LTD
NOTES FORMING PART OF ACCOUNTS

Note :16 Tax Expense

(Rupees in hundreds)

Particulars	As on 31st March 2023 Rs.	As on 31st March 2022 Rs.
Current Tax	25,000.00	27,300.00
Income Tax for Earlier Years	(1,981.57)	-
Total	23,018.43	27,300

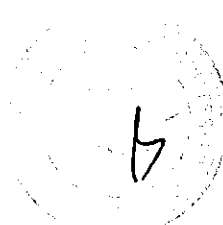
Note :17 Earnings Per Share

Particulars	As on 31st March 2023 Rs.	As on 31st March 2022 Rs.
Net Profit attributable to equity share holders (Rs.)	67,796.17	1,84,177.01
Nominal Value of equity shares (Rs.)	10	10
Weighted Average of number of Equity shares	25,84,000	25,84,000
Basic Earnings Per Share (Rs.)	2.62	7.13
Diluted Earnings Per share (Rs.)	2.62	7.13

NOTE:18

PAYMENT TO AUDITORS (INCLUDING GOODS AND SERVICE TAX)

Particulars	As on 31st March 2023 Rs.	As on 31st March 2022 Rs.
Statutory Audit fees	153.40	153.40
Other Services	-	177.00
Total payment to Auditors	153.40	330.40



GUNNY CHEM TEX INDIA LTD
NOTES FORMING PART OF ACCOUNTS

Note: 19

Category - wise classification of Financial Instruments

As on 31st March 2023

**Financial Assets measured at Fair Value
through Other Comprehensive Income
(FVTOCI)**

(Rupees in hundreds)

Particulars	Carrying Amount	Level I	Level II	Level III
Equity Shares	7,47,710.50	7,47,710.50	-	-
Equity Shares Unlisted	4,90,080.00	-	4,90,080.00	-

Financial Assets measured at Amortised Cost/ Cost

Cash and Cash Equivalents	8,582.25
Loans	12,88,015.39

As on 31st March 2022

**Financial Assets measured at Fair Value
through Other Comprehensive Income
(FVTOCI)**

Particulars	Carrying Amount	Level I	Level II	Level III
Equity Shares	6,54,473.48	6,54,473.48	-	-
Equity Shares Unlisted	2,67,070.25	-	2,67,070.25	-

Financial Assets measured at amortised cost

Cash and Cash Equivalents	45,404.13
Loans	10,99,480.29

1. In case of trade receivables, cash and cash equivalents, trade payables, short term borrowings and other financial assets and liabilities it is assessed that the fair values approximate their carrying amounts largely due to the short-term maturities of these instruments.

2. The fair values of the financial assets and financial liabilities included above have been determined in accordance with generally accepted pricing models based on a discounted cash flow analysis, with the most significant inputs being the discount rate that reflects the credit risk of counterparties.

Fair Value hierarchy

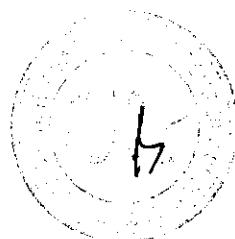
The fair value hierarchy is based on inputs to valuation techniques that are used to measure fair value that are either observable or unobservable and consists of the following three levels:

Level 1 hierarchy - Includes Financial Instruments measured using quoted prices in the active market.

Level 2 hierarchy - The Fair value of Financial Instruments that are not traded in an active market, is determined using valuation techniques which maximize the use of observable market data.

Level 3 hierarchy - Inputs are not based on observable market data. Fair values are determined in whole or in part using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

B. Measurement of fair values



B. Measurement of fair values

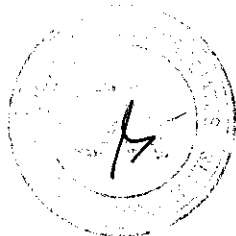
Financial instruments fair valued under Level 3 hierarchy are measured using Market multiples method.

The carrying amount of trade receivables, cash and cash equivalents ,other financial assets, trade payables and other financial liabilities are considered to be the fair value due to short term nature.

There are no transfers between level 1 , level 2 and level 3 during the year.

Note: 20 Capital Management

The primary objective of the Company's Capital Management is to maximise shareholders value. The Company manages its capital to ensure that it will be able to continue as going concerns while maximizing the return to stakeholders through the optimisation of the debt and equity balance. The Company's policy is to maintain a strong capital base so as to maintain investors, creditors and market confidence to sustain future development of the business. For the purpose of the Company's capital management, capital includes issued capital and other equity reserves.



GUNNY CHEM TEX INDIA LTD
NOTES FORMING PART OF ACCOUNTS

Note: 21 Financial Risk Management

The Company has exposure to the following risks arising from financial instruments:

Credit risk;

Liquidity risk ; and

Market risk

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

(a) Liquidity Risk

Liquidity risk is the risk that 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 to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company regularly monitors the rolling forecasts and the actual cash flows to service the financial liabilities on a day-to-day basis through cash generation from business and by having adequate banking facilities.

(b) Credit Risk

Credit risk is the risk of financial loss to the Company if a customer or counter-party to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and loans and advances.

(ii) Other financial assets:

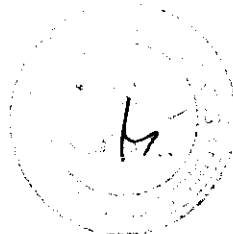
The Company has exposure in Cash and cash equivalents, employee loans and investment carried at amortised cost. The Company's maximum exposure to credit risk as at 31st March, 2023 is the carrying value of each class of financial assets as on that date.

(c) Market Risk

Market risk is the risk that changes in market prices – such as equity prices, interest rates and foreign exchange rates that will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

Risk management structure

The Board of Directors are responsible for the overall risk management approach and for approving the risk management strategies and principles.



22) Related Party Transactions:

Names of Related Parties:

A) Key Managerial Personnel

- 1) Mr. Kishen Kumar Sharma
- 2) Anita Bothra

B) Transaction with Related parties

SI No	Name of the related party	Description of relationship	Description of Transaction and amount during the year	Amount outstanding as on 31-03-2023 Rs	
			(Rupees in hundreds)	(Rupees in hundreds)	
1	Kishen Kumar Sharma	Managing Director	Remuneration	6,100.00	-
2	Anita Bothra	Company Secretary	Remuneration	1,200.00	100.00

23) The Company has given effect to a RBI Circular No.DNBS.PD.CC.No.207/03.02.002 / 2010-11 dated 17th January, 2011 and accordingly created Contingent Provision against Standard Assets in its Financial Statement.

24) The Company has not received any intimation from "Suppliers" regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosures, if any, relating to amounts unpaid as at the year end together with interest paid/payable as required under the said Act has not been given.

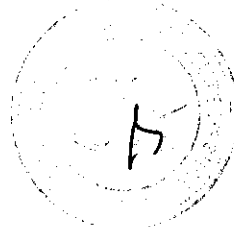
25) No employee benefits in the form of Provident Fund, Superannuation and Gratuity etc. are applicable to the Company.

26) The company has disclosed the ratios as below:

	31-03-2023	31-03-2022
CRAR	100%	100%
Tier 1 CRAR	100%	100%
Tier 2 CRAR	-	-
Liquidity Coverage Ratio	-	-

27) The Company has not traded or invested in Crypto currency or Virtual currency during the financial year.

28) The Company does not have any contingent liabilities as on the date of Balance Sheet.



29) The Company has complied with or disclosed information in financial statements as required by Schedule III – Division III (as amended by Notification No. GSR 207(E), dated 24-3-2021) of the Companies Act, 2013 to the extent applicable to it.

30) The previous year figures have been reclassified to confirm to current years classifications.

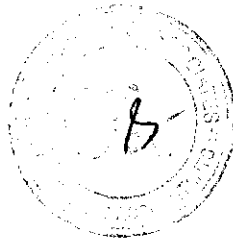
In term of our report of even date annexed herewith

For H.R. Agarwal & Associates
Chartered Accountants
Firm Reg. No. 323029E

S. Agarwal

CA SHYAM SUNDAR AGARWAL
Partner
Membership No. FCA 060033

Place: Kolkata
Date: May 29, 2023



For and on behalf of board

Kishen Kumar Sharma

Kishen Kumar Sharma
Managing Director

DIN: 06436421

Vinit Agarwal

Vinit Agarwal
Director

DIN: 06385158

Anita Bothra
Anita Bothra
Company Secretary

Annual Report: 2022-2023
GUNNY CHEM TEX INDIA LIMITED

DIRECTORS' REPORT

To
The Members

Your Directors have pleasure in presenting the 40th Annual Report on the affairs of the Company together with the Audited Financial Statements for the financial year ended 31st March, 2023.

1. FINANCIAL RESULTS

The financial performance of the Company, for the year ended March 31, 2023 is summarized below:

(Rupees in hundreds)

Particulars	Year Ended 31.03.2023 Rs.	Year Ended 31.03.2022 Rs.
Profit before Tax	90,814.60	2,11,477.01
Less: Current Tax	25,000.00	27,300.00
Less / (Add): Taxes for Earlier Years	(1,981.57)	--
Profit after Tax	67,796.17	1,84,177.01

2. DIVIDEND

Your Directors have decided not to recommend any dividend for the year ended 31st March, 2023.

3. RESERVE

The Company has transferred amount of Rs. 13,560.00 (Rupees in hundreds) to Statutory Reserve Fund Created in terms of Section 45-IC of the RBI Act, 1934 during the year under review.

4. MATERIAL CHANGES AND COMMITMENT IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY OCCURRED BETWEEN THE ENDS OF THE FINANCIAL YEAR TO WHICH THIS FINANCIAL STATEMENT RELATE AND THE DATE OF THE REPORT

No material changes and commitments affecting the financial position of the Company have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the report.

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

In view of the nature of activities carried out by the Company, Section 134(3)(m) of the Companies Act, 2013 relating to conservation of energy and technology absorption do not apply to our Company. There was no foreign exchange inflow or Outflow during the year under review.

Annual Report: 2022-2023
GUNNY CHEM TEX INDIA LIMITED

- 6. STATEMENT CONCERNING DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT POLICY OF THE COMPANY**
A Risk Management Policy was framed and approved by the Board. The Objective of this policy is to minimize the adverse impact of various risks to business goals and objectives and to enhance the value to the stakeholders.
- 7. DETAILS OF POLICY DEVELOPED AND IMPLEMENTED BY THE COMPANY ON ITS CORPORATE SOCIAL RESPONSIBILITY INITIATIVES**
The Company has not developed and implemented any Corporate Social Responsibility initiatives as the said provisions are not applicable.
- 8. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT, 2013**
The Company is exempted from the applicability of the provision of Section 186 of the Companies Act, 2013, Since the Company is NBFC.
- 9. PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES**
There was no contract or arrangements made with related parties as defined under Section 188 of the Companies Act, 2013 during the year under review.
- 10. EXPLANATION OR COMMENTS ON QUALIFICATIONS, RESERVATIONS OR ADVERSE REMARKS OR DISCLAIMERS MADE BY THE AUDITORS AND THE PRACTICING COMPANY SECRETARY IN THEIR REPORTS**
There was no qualification, reservations or adverse remarks made by the Auditors in their report.
- 11. COMPANY'S POLICY RELATING TO PAYMENT OF REMUNERATION.**
In pursuant to rules and regulation laid down by listing agreement and companies act for listed companies it is required to formulate a nomination and remuneration committee but at present company do not formed any such committee.
- 12. MAINTENANCE OF COST RECORDS**
The Central Government has not prescribed for the maintenance of cost records under Section 148(1) of the Companies Act, 2013.
- 13. NUMBER OF BOARD MEETINGS CONDUCTED DURING THE YEAR UNDER REVIEW**
During the year under review, 8 (Eight) board meetings were held.

Annual Report: 2022-2023
GUNNY CHEM TEX INDIA LIMITED

14. DIRECTORS RESPONSIBILITY STATEMENT

In accordance with the provisions of Section 134(3)(c) read with section 134(5) of the Companies Act, 2013 the Board hereby submits its responsibility Statement:-

- (a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;
- (c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) the directors had prepared the annual accounts on a going concern basis;
- (e) the Company being unlisted, sub clause (e) of section 134(5) of the Companies Act, 2013 pertaining to laying down internal financial controls is not applicable to the Company; and
- (f) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

15. DETAILS OF SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

The Company does not have any Subsidiary, Joint venture or an Associate Company.

16. DEPOSITS

The Company has not accepted any deposits falling within the ambit of Section 73 of the Companies Act, 2013 during the year under review.

17. DIRECTORS

There was no Director who was appointed/ceased/re-elected/reappointed during the year under review.

18. DECLARATION OF INDEPENDENT DIRECTORS

The Company has received declaration from Independent Directors pursuant to Section 149(6) of the Companies Act, 2013.

19. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY REGULATORS OR COURTS OR TRIBUNALS

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

Annual Report: 2022-2023
GUNNY CHEM TEX INDIA LIMITED

20. STATUTORY AUDITORS

H. R. Agarwal & Associates, Chartered Accountants were appointed as Statutory Auditors for a period of 5 years in the Annual General Meeting held in the year 2019.

Your Company has received communication from H. R. Agarwal & Associates, Chartered Accountants confirming their eligibility to continue as Auditors of the Company in terms of the provisions of Section 141 of the Companies Act, 2013 and the Rules framed thereunder.

21. DISCLOSURES UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013.

The Company is committed to provide a safe and conducive work environment to Women at Workplace. During the year under review, no case of sexual harassment was reported.

22. INTERNAL FINANCIAL CONTROL

There are adequate internal control procedures commensurate with the size of the Company and nature of its business.


23. SECRETARIAL AUDIT

Pursuant to the provision of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed Mr. Dinesh Agarwal, Practising Company Secretary to undertake the Secretarial Audit of the Company. There is no adverse remark, qualification or reservation in the Secretarial Audit Report.

24. ACKNOWLEDGEMENTS

The Directors place on record their sincere thanks to bankers, business associates, consultants, and other stakeholders for their continued support extended to your Companies activities during the year under review. Your Directors also acknowledges gratefully the shareholders for their support and confidence reposed on the Company.

For and on behalf of the Board of Director


Kishen Kumar Sharma
Managing Director
DIN: 06436421

Place: Kolkata
Date: 29.05.2023

Dinesh Agarwal, ACMA, FCS

Practicing Company Secretary



16/1A, Abdul Hamid Street, 4th Floor, Room No.4B, Kolkata-700069(W.B.)

Mobile: +91 9339740007|| E-Mail: agarwaldcs@yahoo.co.in

Annexure to the Report of the Board of Directors

**Form No.MR-3
SECRETARIAL AUDIT REPORT**

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2023

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

To:

**The Shareholders/ Members,
GUNNY CHEM TEX INDIA LIMITED
[CIN: L51492WB1983PLC035994]**

23B, Netaji Subhash Road,
2nd Floor, Room No.8B,
Kolkata-700001, West Bengal

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by '**GUNNY CHEM TEX INDIA LIMITED [CIN: L51492WB1983PLC035994]**' (hereinafter called the "Company"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the 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, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31st March 2023 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by '**GUNNY CHEM TEX INDIA LIMITED [CIN: L51492WB1983PLC035994]**' (the "Company") for the financial year ended on 31st March 2023, 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 there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

Not applicable as the Company has no Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings.



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(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, 1992;

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;

Not applicable as the Company has not raised share capital during the financial year under review.

(d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;

Not applicable as the Company has not granted any Options to its employees during the financial year under review.

(e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

Not applicable as the Company has not issued any debt securities during the financial year under review.

(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;and

Not applicable as the Company has not delisted its equity shares from any stock exchange during the financial year under review.

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

Not applicable as the Company has not bought back any of its securities during the financial year under review.

(vi) I further report that, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof the Company has complied with the following laws applicable specifically to the Company:

➤ Reserve Bank of India Directions, Guidelines and Circulars applicable to Systemically Important Non Deposit Accepting or Holding NBFCs.



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

- (i) Secretarial Standard-1 and Secretarial Standard-2 issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company with 'The Calcutta Stock Exchange Limited'.

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

- a) The Company has not complied with some of the applicable regulations of Securities and Exchange Board Of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
- b) The Company has not complied with the provision of Section 203 of Companies Act 2013, for appointment of CFO (Key Managerial Personnel).
- c) The Company has not formed any Committees of Board of Directors as required under Section 177 and 178 of Companies Act, 2013.
- d) The Company has not complied with the provision of the Section 149 of Companies Act 2013, for composition of Board of Directors.
- e) The Company has filled all the forms within due date.

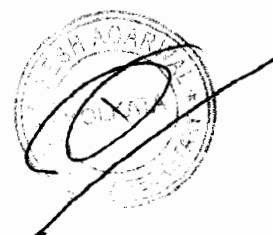
I further report that:

- a) The Board of Directors of the Company is not 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 not carried out in compliance with the provisions of the Act.
- b) The Listing Agreement entered into by the Company with 'The Calcutta Stock Exchange Limited' has not been complied with. Accordingly the Company is suspended from the Stock Exchange.

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, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

During the audit period under review all decisions at Board meeting were carried out unanimously

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Dinesh Agarwal, ACMA, FCS



Practicing Company Secretary.....

16/1A, Abdul Hamid Street, 4th Floor, Room No.4B, Kolkata-700069(W.B.)

Mobile: +91 9339740007|| E-Mail: agarwalacs@yahoo.co.in

I 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.

I further report that 'during the audit period the Company has no specific events/ actions having major bearing the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc. referred to above.

Place: Kolkata
Date: 21/11/2023



(Practicing Company Secretary)

ICSI Membership No.: 6315

C. P. No.: 5881

ICSI UDIN: F006315E002089572

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.

Dinesh Agarwal, ACMA, FCS

Practicing Company Secretary



16/1A, Abdul Hamid Street, 4th Floor, Room No.4B, Kolkata-700069(W.B.)

Mobile: +91 9339740007|| E-Mail: agarwalcds@yahoo.co.in

“ANNEXURE A”

To:

**The Shareholders/ Members,
GUNNY CHEM TEX INDIA LIMITED
[CIN: L51492WB1983PLC035994]**

23B, Netaji Subhash Road,
2nd Floor, Room No.8B,
Kolkata-700001, West Bengal

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

1. Maintenance of Secretarial records 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 the 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 compliance of laws, rules and regulations and happenings of events etc.
5. The compliance of provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the 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 efficacy or effectiveness with which the management has conducted the affairs of the Company.

Place: Kolkata
Date: 21/11/2023

(Practicing Company Secretary)

ICSI Membership No.: 6315

C. P. No.: 5881

ICSI UDIN: F006315E002089572