



41ST ANNUAL REPORT 2021-2022

▶ **Board of Directors**

Shri. B K Patodia	:	Chairman
Shri. B.L. Singhal	:	Independent Director
Shri. P.C. Seksaria	:	Independent Director
Shri. P.N.Sukumaran Nair	:	Independent Director
Shri. V.N.Balakrishnan	:	Independent Director
Shri. Umang Patodia	:	Non Executive Director
Shri. Ankur Patodia	:	Managing Director

Bankers
Central Bank of India
State Bank of India
Kotak Mahindra Bank

Auditors M/s. Raghu & Ram
Chartered Accountants, Coimbatore

Registered Office Erumathala P.O. Aluva,
Ernakulam 683112

Corporate Office 43, 4th Floor, Mittal Chambers,
228 Nariman Point, Mumbai – 400 021

Corporate Identity Number (CIN): U67120KL1981PLC013244

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GTN ENTERPRISES LIMITED

NOTICE

NOTICE is hereby given that the Forty First (41st) Annual General Meeting of **GTN ENTERPRISES LIMITED** will be held at the Registered Office of the Company at Erumathala Post, Aluva – 683 112 on Friday 30th September 2022 at 4:00 P.M. to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at March 31, 2022, the Statement of Profit and Loss for the year ended on that date, Board's Report and the Auditors thereon.
2. To appoint a Director in place of Shri. Umang Patodia (DIN 00003588), who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint Shri. R.Mugunthan, a Practicing Chartered Accountant, Chennai (ICAI Registration No.021397), as Statutory Auditor from the conclusion of this (41st) Annual General Meeting until the conclusion of the 46th Annual General Meeting and to fix his remuneration

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

“RESOLVED THAT pursuant to the provisions of Section 139, 141, 142 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, Shri. R.Mugunthan, Practicing Chartered Accountant, Chennai (ICAI Registration No.021397), who have confirmed their eligibility for appointment of Statutory Auditor in terms of Section 141 of the Companies Act, 2013 and applicable Rules be and is hereby appointed as the Statutory Auditor of the Company to hold the office for a period of 5 years from the conclusion of the 41st Annual General Meeting until the conclusion of the 46th Annual General Meeting of the Company to be held in the year 2027 at such remuneration plus applicable taxes and reimbursement of out-of-pocket expenses in connection with the Audit as may be mutually agreed upon between the Board of Directors of the Company and the Auditor”

“RESOLVED FURTHER THAT the Board of Directors or Audit Committee thereof, be and are hereby severally authorised to decide and finalise the terms and conditions of appointment, including the remuneration of the Statutory Auditor.”

SPECIAL BUSINESS:

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

“RESOLVED THAT pursuant to the provisions of Section 2(76), Section 188 and other applicable provisions of the Companies Act, 2013 ('Act') read with the Rules framed thereunder [including any statutory modification(s) or re-enactment(s) thereof for the time being in force] and other applicable laws / statutory provisions, if any, the Company's Policy on Related Party Transactions as

well as subject to such approval(s), consent(s) and/or permission(s), as may be required and based on the recommendation of the Audit Committee, consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the 'Board', which term shall be deemed to include the Audit Committee or any other Committee constituted / empowered / to be constituted by the Board from time to time to exercise its powers conferred by this Resolution) to the Related Party Transaction(s) / Contract(s)/ Arrangement(s) / Agreement(s) entered into / proposed to be entered into (whether by way of an individual transaction or transactions taken together or a series of transactions or otherwise) between the Company and M/s. Patspin India Limited on such terms and conditions as may be mutually agreed between the Company and the above related party, as mentioned in detail in the Explanatory Statement annexed herewith, provided that such transaction(s) / contract(s) / arrangement(s) / agreement(s) is being carried out at an arm's length pricing basis and in the ordinary course of business.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do and perform all such acts, deeds, matters and things, as may be necessary, including but not limited to, finalizing the terms and conditions, methods and modes in respect of executing necessary documents, including contract(s) / arrangement(s) / agreement(s) and other ancillary documents; seeking necessary approvals from the authorities; settling all such issues, questions, difficulties or doubts whatsoever that may arise and to take all such decisions from powers herein conferred; and delegate all or any of the powers herein conferred to any Director or any other Officer / Authorised Representative of the Company, without being required to seek further consent from the Members and that the Members shall be deemed to have accorded their consent thereto expressly by the authority of this Resolution.

RESOLVED FURTHER THAT all actions taken by the Board in connection with any matter referred to or contemplated in this Resolution, be and is hereby approved, ratified and confirmed in all respect.”

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

“RESOLVED THAT pursuant to the provisions of Section 2(76), Section 188 and other applicable provisions of the Companies Act, 2013 ('Act') read with the Rules framed thereunder [including any statutory modification(s) or re-enactment(s) thereof for the time being in force] and other applicable laws / statutory provisions, if any, the Company's Policy on Related Party Transactions as well as subject to such approval(s), consent(s) and/or permission(s), as may be required and based on the recommendation of the Audit Committee, consent of the

NOTICE (Contd...)

Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the 'Board', which term shall be deemed to include the Audit Committee or any other Committee constituted / empowered / to be constituted by the Board from time to time to exercise its powers conferred by this Resolution) to the Related Party Transaction(s) / Contract(s)/ Arrangement(s) / Agreement(s) entered into / proposed to be entered into (whether by way of an individual transaction or transactions taken together or a series of transactions or otherwise) between the Company and M/s. GTN Textiles Limited on such terms and conditions as may be mutually agreed between the Company and the above related party, as mentioned in detail in the Explanatory Statement annexed herewith, provided that such transaction(s) / contract(s) / arrangement(s) / agreement(s) is being carried out at an arm's length pricing basis and in the ordinary course of business.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do and perform all such acts, deeds, matters and things, as may be necessary, including but not limited to, finalizing the terms and conditions, methods and modes in respect of executing necessary documents, including contract(s) / arrangement(s) / agreement(s) and other ancillary documents; seeking necessary approvals from the authorities; settling all such issues, questions, difficulties or doubts whatsoever that may arise and to take all such decisions from powers herein conferred; and delegate all or any of the powers herein conferred to any Director or any other Officer / Authorised Representative of the Company, without being required to seek further consent from the Members and that the Members shall be deemed to have accorded their consent thereto expressly by the authority of this Resolution.

RESOLVED FURTHER THAT all actions taken by the Board in connection with any matter referred to or contemplated in this Resolution, be and is hereby approved, ratified and confirmed in all respect."

- 6) To consider and if thought fit, to pass with or without modification(s), the following as an **Ordinary Resolution** "**RESOLVED THAT** pursuant to the provisions of Section 148 and other applicable provisions, if any,

of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or amendment(s) or re-enactments thereof for the time being in force), M/s. Hareesh K.N and Associates, Cost Accountants (Firm Reg. No. 101974), who have been appointed as Cost Auditors by the Board of Directors of the Company to conduct the Audit of the Cost records of the Company for the financial year ending on 31st March, 2023, be paid a remuneration of Rs. 35,000 (Rupees Thirty-Five Thousand Only) plus reimbursement of all out-of-pocket expenses as may be incurred in connection with the audit, be and is hereby ratified.

BY ORDER OF THE BOARD
FOR GTN ENTERPRISES LIMITED

Place : Mumbai

Date : 6.9.2022

B K PATODIA

Chairman

NOTES:-

A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.

A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than 10% of the total share capital of the Company. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person cannot act as a proxy for any other person or shareholder.

The instrument appointing proxy, in order to be effective, should be deposited at the registered office of the Company, duly completed and signed, not less than 48 hours before the commencement of the meeting. A proxy form is send herewith. Proxy submitted on behalf of the Companies, Societies etc, must be supported by an appropriate resolution / authority, as applicable

NOTICE (Contd...)**DETAILS OF DIRECTOR SEEKING APPOINTMENT/REAPPOINTMENT AT THIS ANNUAL GENERAL MEETING**

Name of the Director	Shri. Umang Patodia		
DIN	00003588		
Age & Date of Birth	53 years, 17.6.1969		
Nationality	Indian		
Qualification	Graduate		
Expertise	Shri. Umang Patodia, aged 53 years, is the Managing Director of Patspin India Limited since August 1994. He is a Commerce Graduate and has over 2 decades of experience in the textile business and has a successful presence in the textile business segment. He was Executive Director (Exports) in GTN Textiles Limited before he took over the post of Managing Director of Patspin India Limited. Presently, he is holding Directorship in the Confederation of Indian Textile Industry (CITI), New Delhi and The Cotton Textiles Export Promotion Council (TEXPROCIL), Mumbai. He was past Chairman of CII, Kerala State Council and member of various Committees, including Southern India Mills Association (SIMA).		
Date of Appointment in the Company	15.9.2020		
Other Directorships (Listed / Public Co.)	GTN Textiles Limited Patspin India Limited		
Membership / Chairman in other Committees	Patspin India Limited	1. Audit Committee 2. Stakeholders Relationship Committee	- Member - Member
Shareholding in the Company	5,55,000 equity shares of Rs. 10 each		
Relationship between Directors Inter -se Directors	Related to Shri. B.K.Patodia, Chairman and Shri. Ankur. Patodia, Managing Director		

BY ORDER OF THE BOARD
FOR GTN ENTERPRISES LIMITED

Place : Mumbai
Date : 6.9.2022

B K PATODIA
Chairman

NOTICE (Contd...)

STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

ITEM No.3:

M/s. Raghu and Ram, Chartered Accountants (ICAI Firm Reg. No: 003340S), Coimbatore were appointed as the Auditors of the Company at the 36th Annual General Meeting (AGM) held on 22nd September 2017 to hold office from the conclusion of the 36th AGM till the conclusion of the 41st AGM of the Company for a term of 5 years. He will complete his present term on conclusion of this AGM in terms of the said approval and Section 139 of the Companies Act, 2013 ('the Act') read with the Companies (Audit and Auditors) Rules, 2014.

M/s. Raghu and Ram, Chartered Accountant is not eligible for re-appointment pursuant to proviso to Section 139(2) of the Act.

The Board of Directors of the Company, on the recommendation of the Audit Committee, recommended for the approval of the Members, the appointment of Shri. R.Mugunthan, a Practicing Chartered Accountants, Chennai (ICAI Registration No.021397), as the Statutory Auditor of the Company for a period of five years from the conclusion of this AGM (41st) till the conclusion of the 46th AGM to be held in the year 2027. Shri. R.Mugunthan, FCA has consented to the said appointment and confirmed that his appointment, if made, would be within the limits specified under Section 141(3)(g) of the Act. He has further confirmed that he is not disqualified to be appointed as Statutory Auditor in terms of the provisions of the proviso to Section 139(1), Section 141(2) and Section 141(3) of the Act and the provisions of the Companies (Audit and Auditors) Rules, 2014.

None of the Directors or Key Managerial Personnel of the company and their relatives is concerned or interested, financial or otherwise in the resolution set out at Item No 3

The Board recommends the Ordinary Resolution as set out at item no. 3 in the Notice for the approval of the members.

Item No. 4 & 5

Section 188 of the Companies Act, 2013 read with Rule 15 of Companies (Meetings of Board and its Powers) Rules, 2014, as amended, prescribe certain procedure for approval of related party transactions. Proviso to Section 188 provides that nothing contained in sub-section (l) of Section 188 applies where transactions are entered into by the company in the ordinary course of conduct of business other than transactions which are not on an arm's length basis.

Patspin India Limited and GTN Textiles Limited are listed entity and hence the proposed related party transaction is deemed to be a material related party transaction. Since our company is an unlisted company, provisions of Section 188 shall apply only to the extent stated above. No approval from shareholders is required pursuant to the provisions of Section 188 of the Companies Act 2013, since the transactions are in the ordinary course of business and at arms length. However as an abundant caution, your directors seek your approval.

The following proposed transaction is for the approval of Shareholders of the Company by passing an ordinary resolution:

Name of Related party	Relationship	Estimated value of transaction (Rs. In lakhs)	Nature of the transaction (s)	Material Terms of the contract / or agreement
Patspin India Limited	Company in which Shri. B.K.Patodia and Shri. Umang Patodia are interested directors and Director in the related party company.	4000	Sale, Purchase or supply of cotton, cotton yarn, stores & spares and other materials	The proposed approval is for a maximum period of 15 months between two Annual General Meetings (AGM), being conclusion of the 41st AGM to the conclusion of the 42nd AGM. Further, the proposed transaction entered into by the company shall be in the ordinary course of business and at arms length basis.
		500	Selling or otherwise disposing off, or buying, property and other assets of any kind	
		1200	Availing or rendering of processing charges or any other transaction of whatever nature	

NOTICE (Contd...)

Name of Related party	Relationship	Estimated value of transaction (Rs. In lakhs)	Nature of the transaction (s)	Material Terms of the contract / or agreement
GTN Textiles Limited	Company in which Shri. B.K.Patodia and Shri. Umang Patodia are interested directors and Director in the related party company.	1000	Sale, Purchase or supply of cotton and cotton yarn.	The proposed approval is for a maximum period of 15 months between two Annual General Meetings (AGM), being conclusion of the 41st AGM to the conclusion of the 42nd AGM. Further, the proposed transaction entered into by the company shall be in the ordinary course of business and at arms length basis.

The other related information as envisaged under Companies (Meetings of Board and its Powers) Rules, 2014 and amendments thereto, and the Company's Related Party Transaction Policy are furnished hereunder:

Name of the Related Party	Patspin India Limited and GTN Textiles Limited
Name of the Director or key managerial personnel who is related, if any	Shri. B.K.Patodia, Chairman Shri. Umang Patodia, Non Executive Director
Nature of Relationship	Shri. B.K.Patodia is the father of Shri. Umang Patodia
The nature, material terms, monetary value and particulars of the contract or arrangement	As per table above
Any other information relevant or important for the members to take a decision on the proposed resolution	Patspin India Limited is successfully implementing its Resolution Plan pursuant to RBI Circular dated 7th June 2019. There will be requirement to procure / sell the materials from the said related party in the normal course of business and at arms length. GTN Textiles Limited is proposed to carry on trading activities of cotton and cotton yarn products and hence this proposal. The transaction with the said related party shall be in the normal course of business and at arms length

The above proposed arrangements / transactions were approved by the Audit Committee at their meeting held on 6.9.2022 and recommended by the Board of Directors at its meeting held on 6.9.2022 to the Shareholders of the Company for their approval.

Directors or their relatives as mentioned as related parties above may be deemed to be interested or concerned in the Resolution.

None of the other Directors of the Company or their relatives is in any way, financially or otherwise, concerned or interested in the resolution.

The above proposal is in the interest of the Company and the Board recommends the Ordinary Resolution as set out at Item No. 4 & 5 for approval by the members of the Company.

Item No.6

The Board of Directors of the company, on the recommendation of the Audit Committee, approved the appointment of M/s Hareesh K.N & Associates, Cost Accountants as Cost Auditors to conduct the audit of the cost records of the company's textile units at a remuneration of Rs. 35,000 (Rupees thirty five thousand only) plus applicable taxes and reimbursement of travelling and out of pocket expenses incurred by them for the financial year 2022-23

In terms of the provisions of section 148 of the Companies Act, 2013 read with Rule 14 of the Companies (Cost Records & Audit) Rules, 2014, the remuneration payable to the cost auditor has to be ratified by the members of the company. Accordingly, consent of the shareholders is sought for passing an Ordinary Resolution as set out at Item No 8 of the notice for ratification of remuneration payable to the Cost Auditors for the financial year ending 31st March 2023.

None of the Directors and / or Key Managerial Personnel of the company and their relatives is concerned or interested, financial or otherwise in the resolution set out at Item No 6

The Board recommends the Ordinary Resolution set out at Item No.6 in the Notice for the approval of the members.

BY ORDER OF THE BOARD
FOR GTN ENTERPRISES LIMITED

Place : Mumbai
Date : 6.9.2022

B K PATODIA
Chairman

GTN ENTERPRISES LIMITED

BOARD'S REPORT

To the Members,

Your Directors present the **FORTY-FIRST (41ST)** Board's Report together with the Audited Statement of Accounts for the year ended 31st March, 2022

1. FINANCIAL RESULTS

₹ in Crores

	FY 2021-22	FY 2020-21
Revenue from Operations & Other Income	280.82	152.90
EBITDA	35.20	9.04
Finance cost	6.18	7.98
Depreciation and Amortisation expenses	4.18	4.21
Profit / (Loss) / before Tax	24.84	(3.15)
Tax Expenses		
Current Tax -MAT	(4.34)	-
MAT credit/ Deferred tax credit/ (charge)- Net	(3.46)	0.74
Profit/(Loss) after Tax	17.04	(2.41)

2. FINANCIAL PERFORMANCE

FY 2021-22 under review was a mixed bag, with most major economies rebounding from the negative effects of COVID-19. However, commodity price volatility, soaring energy prices, lingering supply chain challenges and geopolitical conflicts have made the recovery increasingly fragile. The performance of Textile Sector especially Spinning was one of the most encouraging. The pandemic induced challenges of FY 2020-21 were followed by a demand surge in India's textile sector. Rise in Textiles exports in FY 2022 was owing to pent-up demand in the US and Europe and China Plus One Policy followed by several countries. During the FY 22, most of the rise came from the United States, which contributed to 27 per cent of India's textiles and apparel exports, followed by 18 per cent by the European Union, 12 per cent by Bangladesh, and 6 per cent by UAE. Also, the availability of Raw materials – Cotton at reasonable price during the year under review helped the Spinning Industry to post significantly improved performance. In line with Industry, your company also posted record turnover and Profitability in FY 2021-22.

For FY 2021-22 Revenue of your company has improved significantly to Rs 280.82 Cr compared to Rs 152.90 Cr achieved in the previous year, showing an increase of 1.8 times. Consequently, the EBITDA has also increased by 3.9 times to Rs 35.20 Cr against Rs 9.04 Cr clocked in FY 2020-21. Finance cost was lower by 23% at Rs 6.18 Cr against Rs 7.98 Cr in the FY 2020-21. Depreciation was in line with previous year (Rs 4.18 Cr vs. Rs 4.21 Cr). Profit before Tax was substantially higher at Rs 24.84 Cr as against Loss of Rs 3.15 Cr incurred in the previous year. Profit / (Loss) post Tax after adjustment towards MAT Credit & Deferred tax for the year has also substantially improved to Rs 17.04 Cr against Net Loss of Rs 2.41 Cr incurred in the previous year.

Indian textile producers are witnessing initial signs of a demand slowdown as high energy and food prices have weakened demand for products such as curtains and bedspreads in the top export markets of the US and Europe. India's exports, too, have begun moderating on a sequential basis after touching a record high in FY22. After seeing a rise of 41 per cent in India's textiles and apparel exports to \$44.4 billion in FY 2021-22, the increase in cotton prices is leading to sector is impacting demand of 1st half of the FY23. Although steep increase in raw materials – cotton prices is posing challenge to the industry, your company was able to procure cotton required for major part of current financial year at reasonable prices which could help the company to continue operations profitably. Cotton. Industry expects drop in cotton prices with the fresh harvest arrival in the forthcoming cotton season in Q3 of FY 23.

There are no material changes or commitments affecting the financial position of the Company which have occurred between the end of the financial year and the date of this Report other than the general global impact of ongoing conflict between Russia and Ukraine on the domestic and international business operations of the Company and impact of COVID-19 as detailed in this Report as well as Notes to the Financial Statements of the Company. There is no change in the nature of your Company's business during the year under review.

3. DIVIDEND

To conserve available resources, the Board regret their inability to recommend dividend for the financial year ended 31.3.2022.

BOARD'S REPORT (Contd...)

4. DIRECTORS

In accordance with the provisions of Companies Act, 2013 and the Articles of Association of the Company, Shri Umang Patodia (DIN 00003588), Director of the Company, retires by rotation at the ensuing Annual General Meeting and being eligible has offered himself for re-election. Based on the recommendation of Nomination and Remuneration Committee, the Board recommends and seeks shareholders' approval for appointment of Shri Umang Patodia (DIN 00003588) as Non Executive Director.

There is no change in the composition of the Board of Directors and the Key Managerial Personnel, except as stated above

5. NUMBER OF MEETINGS OF THE BOARD

The Board is headed by Non Executive Chairman, Shri. B.K. Patodia and comprises eminent persons with considerable professional experience in diverse fields. Six (6) meetings of the Board of Directors were held during the Financial Year 2021-22

6. MEETING OF INDEPENDENT DIRECTORS

The Independent Directors met once during the Financial Year under review. The Meeting was conducted without the presence of the Non-Independent Directors and members of management.

7. DIRECTORS' RESPONSIBILITY STATEMENT

The Board of Directors acknowledge the responsibility for ensuing compliances with the provisions of Section 134(3)(c) read with Section 134(5) of the Companies Act, 2013 in the preparation of annual accounts for the year ended on 31st March, 2022 and state that:

- a) in the preparation of the Annual Accounts, the applicable Indian Accounting Standards have been followed and there are no material departures from the same;
- b) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of your company as at 31st March 2022 and of the profit or loss of the company for that period;
- c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of your company and for preventing and detecting fraud and other irregularities.
- d) the Directors have prepared the Annual Accounts on a going concern basis;
- e) the Directors have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and are operating effectively; and

- f) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

8. BOARD EVALUATION

Pursuant to the provisions of Companies Act, 2013, annual evaluation of the Board, the Directors individually as well as working of its constituted Committees has been carried out from time to time.

9. AUDITORS

Audit Report

The Auditors' Report on the financial statements for the year ended 31st March 2022 by M/s. Raghu and Ram, Chartered Accountants (ICAI Firm Reg. No: 003340S), Coimbatore, does not contain any reservation, qualification or adverse remark. During the year under review, the Auditors have not reported any matter under Section 143(12) of the Companies Act, 2013, therefore, no detail is required to be disclosed under Section 134(3)(ca) of the Act.

Statutory Auditors

As per Section 139 of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014, the term of by M/s. Raghu and Ram, Chartered Accountants (ICAI Firm Reg. No: 003340S), Coimbatore as the Statutory Auditors of the Company expires at the conclusion of 41st Annual General Meeting (AGM) of the Company and is not eligible for re-appointment pursuant Section 139(2)(a) of the Companies Act, 2013.

The Board of Directors places on record its appreciation to the services rendered by M/s. Raghu and Ram, Chartered Accountants, as Statutory Auditors of the Company.

The Board of Directors of the Company at their meeting held on 6th September 2022, on the recommendation of the Audit Committee, have made its recommendation for appointment of Shri. R.Mugunthan, Practicing Chartered Accountant from Chennai (ICAI Registration No.021397) as the Statutory Auditor of the Company by the members at the 41st AGM of the Company for a term of five consecutive years. Accordingly, pursuant to Section 139 of the Act, an ordinary resolution, proposing appointment of Shri. R.Mugunthan, Chartered Accountant as the Statutory Auditor of the Company for a term of five consecutive years, that is, from conclusion of 41st AGM of the Company till the conclusion of the 46th AGM of the Company, forms part of the Notice of 41st AGM of the Company.

The Company has received his written consent and a certificate that satisfying the criteria provided under Section 141 of the Act and that the appointment, if made, shall be in accordance with the applicable provisions of the Act and rules framed thereunder.

BOARD'S REPORT (Contd...)

10. COST AUDITORS

Pursuant to Section 148 of the Act read with Rule 14 of the Companies (Cost Records and Audit) Amendment Rules, 2014, the cost audit records of the Company are required to be audited. The Board of Directors, on the recommendation of the Audit Committee, appointed M/s. Hareesh K.N and Associates, Cost Accountants (Firm Reg. No. 101974) Cost Accountants, to audit the cost accounts of the Company for the FY ending 31st March, 2023. As required under the Companies Act, 2013, In terms of the provisions of Section 148(3) of the Companies Act, 2013 read with Rule 14(a)(ii) of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditor is required to be placed before the members in a general meeting for their ratification. Accordingly, necessary resolution is proposed for ratification for the remuneration payable to M/s. Hareesh K.N and Associates, Cost Auditors in the Notice convening the 41st Annual General Meeting.

11. DEPOSIT FROM PUBLIC

The Company does not have "Deposits" as contemplated under Clause V of the Companies Act 2013. Further, the company has not accepted any such deposits during the year ended 31st March 2022.

12. EXTRACT OF ANNUAL RETURN

Pursuant to provisions of Section 134(3)(a) and Section 92(3) of the Companies Act, 2013, read with Rule 12 of the Companies (Management and Administration) Rules, 2014, the extract of the Annual Return of the company for the Financial Year 31st March 2022 is annexed hereto as Annexure I and forms part of this Report.

13. RELATED PARTY TRANSACTIONS

During the financial year 2021-22, all contracts / arrangements / transactions entered into by your Company with Related Parties were on an arm's length pricing basis and were in the ordinary course of business and do not attract the provisions of Section 188 of the Companies Act, 2013.

There were no materially significant transactions with related parties during the financial year which were in conflict with the interest of the Company and hence, enclosing of Form AOC 2 is not required. All related party transactions are placed before the Audit Committee as also before the Board for approval.

The Board of Directors, as recommended by the Audit Committee, adopted a policy to regularize transactions between the company and its related parties, in compliances with applicable provisions of the companies Act 2013 and the Rules thereunder.

14. LOANS & INVESTMENTS

Details of loans, guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the Notes to Financial Statements

forming part of this report.

15. CREDIT RATING

During the year, Infomerics Valuation and Rating Pvt. Ltd. (Infomerics) has assigned - "IVR BB +" (IVR Double B Plus with stable outlook) credit rating for the long term facilities and "IVR A4+" (IVR A Four Plus) credit rating for short term facilities of the company

16. CORPORATE SOCIAL RESPONSIBILITY (CSR)

Even though the provisions of Section 135 (5) of Companies Act, 2013 regarding Corporate Social Responsibility are not yet attracted, the company has been, over the years, pursuing as part of its corporate philosophy, an unwritten CSR policy voluntarily which goes much beyond mere philanthropic gestures and integrates interest, welfare and aspirations of the community with those of the Company itself in an environment of partnership for inclusive development.

For the year ended 31.3.2022, the profit before tax as per the audited annual accounts is more than Rs.5 crores and therefore, your board has constituted a CSR Committee to initiate Company's CSR Policy in accordance with Schedule VII of the Companies Act 2013. The Committee met on 6.9.2022 and confirmed that as per the provisions of Section 135 read with the Section 198 of the Companies Act 2013, the company do not have CSR obligation for the year 2021-22. The statutory disclosures with respect to CSR is annexed hereto forming part of this Report (Annexure II)

17. RISK MANAGEMENT

The company has laid down a well-defined risk management mechanism covering the risk mapping and trend analysis, risk exposure, potential impact and risk mitigation process. A detailed exercise is being carried out to identify, evaluate, manage and monitor and non-business risks. The Audit Committee and the Board periodically review the risks and suggest steps to be taken to manage/ mitigate the same through a properly defined framework.

During the year, a risk analysis and assessment was conducted, and no major risks were noticed, which may threaten the existence of the company.

18. VIGIL MECHANISM / WHISTE BLOWER POLICY

The company has a Vigil Mechanism / Whistle Blower Policy to report genuine concerns or grievances. The Vigil Mechanism (Whistle Blower Policy) has been posted on the company's website (www.gtntenterprises.com).

19. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREGIN EXCHANGE AND OUTGO

Information required under section 134 (3) (m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 is given in the Annexure III forming part of this report

BOARD'S REPORT (Contd...)

20. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has an effective internal control and risk mitigation system designed to effectively control the operations at its Head Office, Plants and Depots. The internal control systems are designed to ensure that the financial and other records are reliable for the preparation of financial statements and for maintaining assets. The Company has well designed Standard Operating Procedures. Independent Internal Auditors conduct audit covering a wide range of operational matters and ensure compliance with specified standards. Planned periodic reviews are carried out by Internal Audit. The findings of Internal Audit are reviewed by the top management and by the Audit Committee of the Board of Directors.

Based on the deliberations with Statutory Auditors to ascertain their views on the financial statements including the Financial Reporting System and Compliance to Accounting Policies and Procedures, the Audit Committee was satisfied with the adequacy and effectiveness of the Internal Controls and Systems followed by the company.

21. NOMINATION & REMUNERATION POLICY

The Board of Directors has framed a policy which lays down a framework in relation to remuneration of Directors, Key Managerial Personnel and Senior Management of the Company. This policy also lays down criteria for selection and appointment of Board Members.

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

The Company has always provided a congenial atmosphere for work to all employees that are free from discrimination and harassment including sexual harassment. It has provided equal opportunities of employment to all without regard to their caste, religion, colour and sex. The Company has constituted Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and also framed a Policy on "Prevention of Sexual Harassment" at the workplace.

The Company has not received any complaints under this policy during the year ended 31st March 2022.

23. PARTICULARS OF EMPLOYEES PURSUANT TO SECTION 134 (3) (q) OF THE COMPANIES ACT, 2013 READ WITH RULE 5 (1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

The information required pursuant to section 134 (3) (q) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the company will be provided upon request. In terms of Section 136 of the Act, the Report and Accounts are being sent to the Members and others entitled thereto, excluding the information on employees' particulars which is available for inspection by the Members at the Registered office of the company during business hours on working days of the company up to the date of the ensuing Annual General meeting. If any Member is interested in obtaining a copy thereof, such member may write to the company in this regard.

24. PERSONNEL & INDUSTRIAL RELATIONS

Industrial Relations were cordial and satisfactory. There were no employees whose particulars are to be given in terms of Section 134(3)(q) of the companies Act, 2013 read with Rule 5(2) and 5(3) of the companies (Appointment and Remuneration of Managerial personnel) Rules, 2014.

25. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS

There are no significant and material orders passed by the Regulators or Courts or Tribunals that would impact the going concern status of your Company and its future operations.

26. GENERAL

- a) There was no issue of equity shares with differential rights as to dividend, voting or otherwise: and;
- b) There was no issue of shares (including sweat equity shares) to the employees of the company under any scheme.

27. ACKNOWLEDGEMENT

Your Directors place on record their deep appreciation for the co-operation and support extended by our Bankers, Stakeholders, Business Associates, Central and State Governments and District Level Authorities and look forward to their continued support in future.

We are also pleased to record our appreciation of the efficient and loyal services rendered by each and every employee and workman of the Company at all levels without whose whole-hearted efforts, the overall satisfactory performance would not have been possible.

For and on behalf of the Board of Directors

Place : Mumbai
Date : 6.9.2022

B K PATODIA
(DIN:00003516)
Chairman

Annexure - I**FORM NO. MGT.9****EXTRACT OF ANNUAL RETURN**

as on the financial year ended on 31/03/2022

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

I. REGISTRATION AND OTHER DETAILS:

- i. CIN:-U67120KL1981PLC013244
- ii. Registration Date: 27/07/1981
- iii. Name of the Company: GTN ENTERPRISES LIMITED
- iv. Category / Sub-Category of the Company: PUBLIC, HAVING SHARE CAPITAL
- v. Address of the Registered office and contact details:

NAME AND REGISTERED OFFICE ADDRESS OF COMPANY:	
NAME	GTN ENTERPRISES LIMITED
Address	ERUMATHALA PO, ALUVA, ERNAKULAM
Town / City	ERNAKULAM
State	KERALA
Pin Code:	683105
Country Name :	INDIA
Country Code	91

- vi) Whether listed Company: NO
- vii) Name, Address and Contact details of Registrar and Transfer Agent, if any:
CDSL VENTURES LIMITED, Marathon Furturex, 'A' Wing, 25th Floor, Mafatlal Mills Compound, N.M. Joshi Marg,
Lower Parel (E), Mumbai 400013. Ph. No. 022-61216931

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY (All the business activities contributing 10 % or more of the total turnover of the company shall be stated)

SN	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	COTTON YARN SPINNING	13111	100%

III PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES [No. of Companies for which information is being filled]

Not Applicable

Annexure - I (Contd...)

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i. Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year [As on 1.04.2021]				No. of Shares held at the end of the year [As on 31.03.2022]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoter s									
(1) Indian									
a) Individual/ HUF	4500810	NIL	4500810	99.967	4500810	NIL	4500810	99.967	NIL
b) Central Govt	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
c) State Govt(s)	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
d) Bodies Corp.	1500	NIL	1500	0.033	1500	NIL	1500	0.033	NIL
e) Banks / FI	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
f) Any other	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Total shareholding of Promoter (A)	4502310	NIL	4502310	100	4502310	NIL	4502310	100	NIL
B. Public Shareholding									
1. Institutions	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
a) Mutual Funds	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
b) Banks / FI	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
c) Central Govt	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
d) State Govt(s)	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
e) Venture Capital Funds	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
f) Insurance Companies	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
g) FIs	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
h) Foreign Venture Capital Funds	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
i) Others (specify)	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Sub-total (B)(1):-	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
2. Non-Institutions									
a) Bodies Corp.	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
i) Indian	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
ii) Overseas	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
b) Individuals	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
c) Others (specify)	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Non Resident Indians	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Overseas Corporate Bodies	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Foreign Nationals	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Clearing Members	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Sub-total (B)(2):-	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Total Public Shareholding (B)=(B)(1) + (B)(2)	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
C. Shares held by Custodian for GDRs & ADRs	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Grand Total (A+B+C)	4502310	NIL	4502310	100	4502310	NIL	4502310	100	0.00

Annexure - I (Contd...)

ii. Shareholding of Promoter-

SN	Shareholder's Name	Shareholding at the beginning of the year (01.04.2021)			Share holding at the end of the year (31.03.2022)			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Binod Kumar Patodia	472310	10.49	NIL	472310	10.49	NIL	NIL
2	Binod Kumar Patodia HUF	608500	13.51	NIL	608500	13.51	NIL	NIL
3	Umang Patodia HUF	392000	8.70	NIL	392000	8.70	NIL	NIL
4	Ankur Patodia HUF	360000	8.00	NIL	360000	8.00	NIL	NIL
5	Prabha patodia	580000	12.89	NIL	580000	12.89	NIL	NIL
6	Patodia Exports and Investments Pvt Ltd	500	0.01	NIL	500	0.01	NIL	NIL
7	Beekaypee Credit Pvt Ltd	500	0.01	NIL	500	0.01	NIL	NIL
8	Umang Finanace Pvt Ltd	500	0.01	NIL	500	0.01	NIL	NIL
9	Umang Patodia & Binod Kumar Patodia,Prabha Patodia(J/H)	555000	12.32	NIL	555000	12.32	NIL	NIL
10	Mala Patodia & Binod Kumar Patodia, Umang Patodia (J/H)	473000	10.51	NIL	473000	10.51	NIL	NIL
11	Ankur Patodia & Bonod Kumar Patodia, Prabha Patodia(J/H)	650000	14.44	NIL	650000	14.44	NIL	NIL
12	Swati Patodia & Binod Kumar Patodia, Prabha Patodia(J/H)	410000	9.11	NIL	410000	9.11	NIL	NIL

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

SN	Particulars	Shareholding at the beginning of the year (01.04.2021)		Cumulative Shareholding during the year (31.03.2022)	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	4502310	100	4502310	100
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc):	NO CHANGES DURING THE YEAR			
	At the end of the year	4502310	100	4502310	100

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

Not Applicable

v. Shareholding of Directors and Key Managerial Personnel:

SN	NAME OF THE KMP AND DIRECTORS	PARTICULARS	Shareholding at the beginning of the year (01.04.2021)		Cumulative Shareholding during the year(31.03.2022)	
			No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Ankur Patodia	At the beginning of the year	650000	14.44	650000	14.44
		Changes during the year	No Changes			
		At the end of the year			650000	14.44

Annexure - I (Contd...)

SN	NAME OF THE KMP AND DIRECTORS	PARTICULARS	Shareholding at the beginning of the year (01.04.2021)		Cumulative Shareholding during the year(31.03.2022)	
			No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
2.	B.K. Patodia	At the beginning of the year	472310	10.49	472310	10.49
		Changes during the year	No Changes			
		At the end of the year			472310	10.49
3.	P. C. Seksaria	At the beginning of the year	0	0.00		
		Changes during the year			0	0.00
		At the end of the year			0	0.00
4.	P. N. Sukumaran Nair	At the beginning of the year	0	0.00		
		Changes during the year			0	0.00
		At the end of the year			0	0.00
5	B. L. Singhal	At the beginning of the year	0	0.00		
		Changes during the year			0	0.00
		At the end of the year			0	0.00
6.	V. N. Balakrishnan	At the beginning of the year	0	0.00		
		Changes during the year			0	0.00
		At the end of the year			0	0.00
7.	Umang Patodia	At the beginning of the year	555000	12.32		
		Changes during the year	No Changes			
		At the end of the year			555000	12.32

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-

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

(in ₹)

SN.	Particulars of Remuneration	ANKUR PATODIA (MANAGING DIRECTOR)	Total Amount
1	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	34,49,865	34,49,865
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961		
	(c) Profits in lieu of salary under section 17(3) Income - Tax Act, 1961		
2	Stock Option		
3	Sweat Equity		
4	Commission - as % of profit - others, specify		
5	Others, please specify		
	Total (A)	34,49,865	34,49,865
	Ceiling as per the Act	60,00,000	60,00,000

ii. Remuneration to other directors

(in ₹)

SN.	Particulars of Remuneration	Name of Directors				Total Amount
		B.L Singhal	P.C Seksaria	PN Sukumaran Nair	V.N. Balakrishnan	
1	Independent Directors					
	Fee for attending board /committee meetings	22000	18000	22000	14000	76000
	Commission					
	Others, please specify					
	Total (1)					

Annexure - I (Contd...)

2	Other Non-Executive Directors	B.K Patodia	Umang Patodia			
	Fee for attending board / committee meetings	20000	18000			38000
	Commission					
	Others, please specify					
	Total (2)					
	Total (B) = (1+2)					114000
	Total Managerial Remuneration					
	Overall Ceiling as per the Act					

V. INDEBTEDNESS -

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

(₹ in lakhs)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	3,068.74	860.50	-	3,929.24
ii) Interest due but not paid	8.45	-	-	8.45
iii) Interest accrued but not due	0.00	58.39	-	58.39
Total (i + ii + iii)	3,077.19	918.89	-	3,996.08
Change in Indebtedness during the financial year				
* Addition	--	744.36	-	744.36
* Reduction	-420.15	--	-	-420.15
Net Change	-420.15	744.36	-	324.21
Indebtedness at the end of the financial year				
i) Principal Amount	2,630.64	1585.50	-	4,216.14
ii) Interest due but not paid	26.40	-	-	26.40
iii) Interest accrued but not due	0.00	77.75	-	77.75
Total (i + ii + iii)	2,657.04	1,663.25	-	4,320.29

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFNCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty			NONE		
Punishment					
Compounding					
B. DIRECTORS					
Penalty			NONE		
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty			NONE		
Punishment					
Compounding					

For and on behalf of the Board of Directors

Place : Mumbai
Date : 6.9.2022

B K PATODIA
(DIN:00003516)
Chairman

Annexure - II

CSR Report 2021-22

a) Brief outline of CSR policy

The company has framed a CSR policy in compliance with the provisions of the Companies Act, 2013. The CSR Policy inter-alia covers the concept (CSR philosophy, activities undertaken by the group, scope and applicability, resources, identification and approval process, implementation and monitoring, etc.).

b) Composition of CSR Committee

The CSR Committee of the Board of Directors presently consists of 3 Directors namely Shri. P.N.Sukumaran Nair (Independent Director) Chairman, Shri. Umang Patodia, Director and Shri. Ankur Patodia, Managing Director as members. The composition of the committee conforms to the statutory requirement.

c) Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report): NOT APPLICABLE

d) Details of the amount available for set-off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set-off for the financial year, if any : NOT APPLICABLE

e) Average net profit of the company as per Section 135(5).

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

Year	*Net profit for the purpose of CSR Obligation (Amt. Rs. In lakhs)
Net profit / (loss) for 2020-21	(315)
Net profit / (loss) for 2019-20	(1278)
Net profit / (loss) for 2018-19	(401)
A. Total Net profit / (loss) for 3 years	(1994)
B. Average net profit / (loss) (A/3)	(665)
C. 2% of average net profit in ((to be NIL/NA spent on CSR) in financial year 2021 – 22)	NIL

*Net Profit is calculated as per the provisions of Section 198 read with Section 135 of the Companies Act, 2013 ('Net Profit as per Rule 2(f) of Companies (CSR Policy) Rules, 2014 excluding dividends from Companies to which CSR provisions are applicable and they are complying with the CSR requirements).

a	Surplus arising out of the CSR projects or programs or activities of the previous financial years	NOT APPLICABLE
b	Amount required to be set off for the financial year, if any:	NOT APPLICABLE
c	Total CSR obligation for the financial year	NIL
d	Details of CSR amount spent against ongoing projects for the financial year	NIL/ NOT APPLICABLE
e	Total amount spent for the financial year: NIL/ NOT APPLICABLE	NIL/ NOT APPLICABLE

f) Details of Unspent CSR amount for the preceding three financial years:

NIL / NOT APPLICABLE. SINCE THERE HAS BEEN NO CSR OBLIGATION FOR THE COMPANY DURING LAST 3 FINANCIAL YEARS.

This is to certify that the implementation and monitoring of CSR Policy is in compliance with the CSR Objectives as well as the Policy of the Company

Palakkad

Date: 6.9.2022

P. N.Sukumaran Nair

Chairman of CSR Committee

Annexure - III

ANNEXURE TO THE DIRECTOR'S REPORT

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

Information on conservation of energy, technology absorption, foreign exchange earnings and outgo etc. required to be disclosed under Section 134 of the Companies Act 2013 read with Companies (Accounts) Rules, 2014 are provided hereunder:

(A) Conservation of energy-

(i) The step taken or impact on conservation of energy	<ul style="list-style-type: none">• TFO HMD pump 9.3 KW MonoBlock - 2 Nos Conversion to open well sub pump 3.7KW X 2 Nos a saving of 43776 Units per year.• GEL B WRS Flat MT Fan changed with power saving fan - a saving of 8460 Units per year.• GEL A SPG -2 HMD Exhaust fan Blade angle changed a saving of 14688 Units per year.• Total saving in the above 3 conservation efforts is 186 units per day
ii) The steps taken by the company for utilizing alternate sources of energy	
(iii) The capital investments on energy conservation equipments	

(B) Technology absorption:

a) The efforts made towards technology ab-sorption	: Updation of Technology is a continuous process, absorption implemented and adapted by the company for innovation. Efforts are continuously made to develop new products required in the Textile / Spinning Industry.
b) the benefits derived like product improvement, cost reduction, product development or import substitution	: Individual Spindle Monitoring system installed in 2 ring frames for real time monitoring of production data, power, breakages, waste, defective spindles, worker efficiency, humidity, etc to effect improvement in productivity, efficiency and quality levels. Here, along with short stretch (yarn working angle conversion) we are getting 5% improvement in productivity and improved yarn quality. Short stretch conversion (Spinning Geometry change) done in 4 ring frames with an improvement in productivity by 3 to 5% in different products.
c) in case of imported technology (imported during the last three years reckoned from the beginning of the financial year) a) the details of technology imported b) the year of import; c) whether the technology been fully ab-sorbed d) if not fully absorbed, areas where ab-sorption has not taken place, and the reasons thereof	: In many areas appropriate technology updation has been done
d) The expenditure incurred on Re search and Development.	: NIL

The Foreign Exchange earned in terms of actual inflow during the year Rs 15897.08 Lakhs

The Foreign Exchange outgo during the year in terms of actual outflows Rs 7367.95 Lakhs

For and on behalf of the Board of Directors

Place : Mumbai
Date : 6.9.2022

B. K. PATODIA
(DIN:00003516)
Chairman

INDEPENDENT AUDITOR'S REPORT

To the Members of GTN Enterprises Limited

Report on the audit of financial statements

Opinion

We have audited the financial statements of **GTN Enterprises Limited** ("the Company"), which comprise the Balance Sheet as at **March 31, 2022**, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and notes to the financial statements including a summary of the significant accounting policies and other explanatory information (here in after referred to as financial statements).

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 Standards prescribed under Section 133 of the Companies Act, 2013 and other accounting principles generally accepted in India, of the state of affairs of the Company as at **March 31, 2022**, the **Profit** 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 on the financial statements.

Information other than the financial statements and Auditor's Report thereon

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual 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 in the audit or otherwise appears to be materially misstated.

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

Management responsibility for the Financial Statements

The Company's management and Board of Directors are 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 state of affairs, profit and cash flows of the Company in accordance with the Accounting Standards specified under section 133 of the Act.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements 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 and Board of Directors are 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.

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

Auditors' 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

INDEPENDENT AUDITOR'S REPORT (Contd...)

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 Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements 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.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143 (11) of the Act, we give in **Annexure "A"** a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
 - A. As required by Section 143 (3) of the Act, based on our audit we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - b. In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - c. The balance sheet, the statement of profit and loss and the cash flow statement dealt with by this report are in agreement with the books of account;
 - d. In our opinion, the aforesaid financial statements comply with the Accounting Standards prescribed under section 133 of the Act;
 - e. On the basis of the written representations received from the directors of the Company as on **March 31, 2022** taken on record by the board of directors, none of the directors are disqualified as on **March 31, 2022** from being appointed as a director in terms of Section 164 (2) of the Act;
 - f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in **Annexure "B"** and
 - B. With respect to the other matters to be included in the auditors' report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:

INDEPENDENT AUDITOR'S REPORT (Contd...)

- i The Company has disclosed the impact of pending litigations on its financial position in its financial statements.
 - ii The Company does not have any long-term contracts including derivative contracts.
 - 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 persons or entities, including foreign entities ("intermediaries"), with the understanding, whether recorded in writing or otherwise, that the intermediary shall 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 persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - c. Based on such audit procedures as 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 (iv)(a) and (iv)(b) contain any material mis-statement.
 - v The company has not declared dividend or paid during the year and hence compliance with section 123 of the Companies Act, 2013 is not applicable for the year under review.
- C. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Companies Act 2013.

For **Raghu & Ram**
Chartered Accountants
ICAI FRN 003340S

T. Raghunathan
Proprietor

Place: Coimbatore
Date : 18/05/2022

M.No.019425
UDIN: 22019425AKCRNT1738

INDEPENDENT AUDITOR'S REPORT (Contd...)

Annexure - A to the Independent Auditors' Report

Referred to in paragraph (1) under report on Other Legal and Regulatory Requirements section of our report of even date to the members of the company on the financial statements for the year ended 31st March, 2022, we report the following:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment and intangible assets.
- (b) As explained to us, property, plant and equipment have been physically verified by the management at reasonable intervals; no material discrepancies were noted on such verification.
- (c) The title deeds of immovable properties are held in the name of the Company.
- (d) During the year, the Company had not revalued any of its Property, plant and equipment and intangible assets.
- (e) According to the information and explanations given to us, there are no proceedings initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- (ii) (a) As explained to us, inventories have been physically verified during the year by the management at reasonable intervals. No material discrepancy of 10% or more in the aggregate for each class of inventory was noticed on physical verification of stocks by the management as compared to book records.
- (b) During the year, as per the records furnished before us the quarterly returns filed by the company with the bank are in agreement with the books of account of the company.
- (iii) According to the information and explanations given to us during the year the company has not made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured to companies, firms, Limited Liability Partnerships or any other parties and hence the clause (iii) sub-clause (a) to (f) of the Order are not applicable to the company. However, the company has provided guarantee on behalf of an associate company during earlier years for the loans obtained from a bank amounting to Rs. 20 crores (Rupees twenty crores only) and the current outstanding on account of the said guarantee is Rs. 6.34 crores (Rupees six crores thirty four lakhs only)
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans and investments made.
- (v) The Company has not accepted any deposits or amounts which are deemed to be deposits. Hence, reporting under clause 3(v) of the Order is not applicable.
- (vi) We have broadly reviewed the books of account maintained by the company pursuant to sub-section (1) of Section 148 of the Act, and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including Goods and service tax, provident fund, employees state insurance, income-tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities. However, in respect of Provident Funds and Employees state insurance premium there were some delays in remittance. Further, no undisputed amounts payable in respect thereof were outstanding at the year end 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 dues which have not been deposited on account of dispute and the same being contested by the Company.
- (viii) The company does not have any transactions to be recorded 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.
- (ix) (a) During the year, Company has not defaulted in repayment of dues to lenders.
- (b) According to the information and explanation given to us and on the basis of our audit procedures, we report that the company has not been declared wilful defaulter by any bank or financial institutions or government or government authority.
- (c) During the year, there was no fresh term loans borrowed and hence the clause 3 (ix) (c) is not applicable for the year under review.
- (d) According to the information and explanation given to us and on an overall examination of the Balance sheet of the company, we report that no funds raised on short-term basis have been used for long-term purposes.
- (e) According to the information and explanations given to us and on an overall examination of financial statements of the company, we report that the company has not taken any funds from any entity or person on account of or to

INDEPENDENT AUDITOR'S REPORT (Contd...)

meet the obligations of its subsidiaries, associates or joint ventures.

- (f) According to the information and explanations given to us and procedures performed by us, we report that the company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.
- (x) (a) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments).
(b) The company has not made any preferential allotment or private placement of shares or fully or partly or optionally convertible debentures during the year under review.
- (xi) (a) According to the information and explanations given to us, no material fraud by the Company or on the Company has been noticed or reported during the course of our audit.
(b) During the year and up to the date of this report, no report under section (12) of section 143 of the Companies Act in Form ADT – 4 as prescribed under rule 13 of companies (Audit and Auditors) Rules, 2014 with the central government
(c) As represented to us by the management, there are no whistle blower complaints received by the company during the year.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, all transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) (a) In our opinion and based on our examination, the company has an internal audit system commensurate with the size and nature of its business.
(b) We have considered the internal audit reports of the company issued till date, for the period under audit.
- (xv) According to the information and explanations given to us, in our opinion during the year the company has not entered into any non-cash transactions with directors or persons connected with its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the company.
- (xvi) (a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.
(b) The company has not conducted any Non-Banking Financial or Housing Finance activities and has not obtained any valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.
(c) The company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India and hence clause (xvi) (c) and (d) not applicable for the year under review.
- (xvii) The company has not incurred cash losses in the financial year and in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year and accordingly this clause is not applicable.
- (xix) According to the information and explanations given to us and 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, 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 on the date of the audit report 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.
- (xx) According to the information and explanation given to us, the provisions of section 135 sub-section (5) and (6) of the Companies Act 2013 is not applicable to the company for the year under review.
- (xxi) This clause is not applicable to the company.

For Raghu & Ram

Chartered Accountants
ICAI FRN 003340S

T. Raghunathan

Proprietor

M.No.019425

Place: Coimbatore

Date : 18/05/2022

INDEPENDENT AUDITOR'S REPORT (Contd...)

Annexure - B to the Independent Auditors' Report on the financial statements of GTN Enterprises Limited

Report on the Internal Financial Controls with reference for the aforesaid financial statements under clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

(Referred to-in paragraph 1(A)(f) under Report on Other Legal and Regulatory Requirements section of our report of even date)

Opinion

We have audited the internal financial controls over financial reporting of GTN Enterprises Limited ("the Company") as on 31 March 2022 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

In our opinion, the company has, in all material respects adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31st March, 2022, based on the internal financial controls with reference to financial statements 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 ("the Guidance Note").

Management's Responsibility for Internal Financial Controls

The Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. 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 the 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 (hereinafter referred to as "the Act").

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of Internal Financial Controls Over Financial Reporting and the Guidance Note issued by the ICAI. 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 with reference to financial statements.

Meaning of Internal Financial Controls with reference to financial statements

A company's internal financial controls with reference to financial statements 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 controls with reference to financial statements 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.

INDEPENDENT AUDITOR'S REPORT (Contd...)

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

For **Raghu & Ram**
Chartered Accountants
ICAI FRN 003340S

Place: Coimbatore
Date : 18/05/2022

T. Raghunathan
Proprietor
M.No.019425

GTN ENTERPRISES LIMITED

BALANCE SHEET

	Note No.	As at 31.03.2022 (₹ in lacs)	As at 31.03.2021 (₹ in lacs)
I. EQUITY AND LIABILITIES			
1 Shareholders' funds			
(a) Share capital	2	450.23	450.23
(b) Reserves and surplus	3	3879.82	2175.01
Sub-Total		<u>4,330.05</u>	<u>2,625.24</u>
2 Non-current liabilities			
(a) Long-term borrowings	4	528.58	955.93
(b) Deferred tax liabilities (Net)	5	820.72	382.72
Sub-Total		<u>1,349.30</u>	<u>1,338.65</u>
3 Current liabilities			
(a) Short-term borrowings	6	3687.56	2973.32
(b) Trade payables	7		
(i) total outstanding dues of micro and small enterprises		30.03	25.40
(ii) total outstanding dues of creditors other than micro and small enterprises		2708.17	2548.95
(c) Other current liabilities	8	418.26	427.68
(d) Short-term provisions	9	201.29	-
Sub-Total		<u>7,045.31</u>	<u>5,975.35</u>
TOTAL		<u><u>12,724.66</u></u>	<u><u>9,939.24</u></u>
II. ASSETS			
1 Non-current assets			
(a) Property, plant and equipment and intangible assets	10		
(i) Property, plant and equipment		4417.39	4740.56
(ii) Intangible assets		12.04	12.15
(iii) Capital work-in-progress		1.26	-
(b) Non-current investments	11	54.03	57.01
(c) Long-term loans and advances	12	621.11	590.16
(d) Other non-current assets	13	53.51	39.22
Sub-Total		<u>5,159.34</u>	<u>5,439.10</u>
2 Current assets			
(a) Inventories	14	4544.05	1903.03
(b) Trade receivables	15	2035.65	1248.67
(c) Cash and Bank Balances	16	321.14	557.91
(d) Short-term loans and advances	17	623.52	321.53
(e) Other current assets	18	40.96	469.00
Sub-Total		<u>7,565.32</u>	<u>4,500.14</u>
TOTAL		<u><u>12,724.66</u></u>	<u><u>9,939.24</u></u>
Significant Accounting Policies	1		
The accompanying Notes 1 to 43 are an integral part of the financial statements			
As per our report of even date attached		For and on behalf of the Board	
For RAGHU AND RAM Chartered Accountants (FIRM REG NO:003340S)			
T RAGHUNATHAN Proprietor (M. NO.019425) UDIN : 22019425AKCRNT1738	B.K.PATODIA Chairman DIN No. 00003516	ANKUR PATODIA Managing Director DIN No. 00003567	
Place : Coimbatore Date :18 th May 2022	Place : Mumbai Date :18 th May 2022	Place : Mumbai Date :18 th May 2022	

GTN ENTERPRISES LIMITED

STATEMENT OF PROFIT AND LOSS

	Note No.	2021-2022 (₹ in lacs)	2020-2021 (₹ in lacs)
REVENUE:			
Revenue From Operations	19	28,059.53	15,252.69
Other income	20	22.64	36.85
Total Income		28,082.17	15,289.54
EXPENSES:			
Cost of materials consumed	21	17,578.96	9,085.77
Purchases of Stock-in-Trade		1,507.86	1,258.08
Changes in inventories of finished goods, work-in-progress and waste	22	(1,850.83)	272.85
Employee benefits Expense	23	1,625.87	1,065.96
Finance costs	24	617.65	798.37
Depreciation and amortization expense		417.56	421.40
Other expenses	25	5,700.11	2,702.61
Total Expenses		25,597.18	15,605.04
Profit/(Loss) before exceptional and extraordinary items and tax		2,484.99	(315.50)
Exceptional items		-	-
Profit/(Loss) before extraordinary items and tax		2,484.99	(315.50)
Extraordinary items		-	-
Profit/(Loss) before tax		2,484.99	(315.50)
Tax Expense:			
Provision for current tax - MAT		434.18	-
MAT credit entitlement		92.00	-
Deferred tax charge/(Credit)		438.00	(74.11)
Profit/(Loss) for the year		1,704.81	(241.39)
Earnings per equity share:	26		
Basic and Diluted (in Rs.) (Face value of Rs.10 each)		37.87	(5.36)
Significant Accounting Policies	1		

The accompanying Notes 1 to 43 are an integral part of the financial statements

As per our report of even date attached

For and on behalf of the Board

For **RAGHU AND RAM**

Chartered Accountants (FIRM REG NO:003340S)

T RAGHUNATHAN

Proprietor
(M. NO.019425)
UDIN : 22019425AKCRNT1738

B.K.PATODIA

Chairman
DIN No. 00003516

ANKUR PATODIA

Managing Director
DIN No. 00003567

Place : Coimbatore
Date :18th May 2022

Place : Mumbai
Date :18th May 2022

Place : Mumbai
Date :18th May 2022

GTN ENTERPRISES LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2022

	2021-2022 (₹ In Lacs)	2020-2021 (₹ In Lacs)
A. Cash flow from operating activities		
Net Profit/(Loss) before tax and extra ordinary items	2,484.99	(315.50)
Adjustments for:		
Depreciation	417.45	411.16
Amortisation	0.11	10.24
Loss / (Profit) on sale of tangible assets (net)	0.30	0.18
Interest income	(8.44)	(32.74)
Interest expenditure	533.76	641.66
Operating profit before working capital changes	3,428.17	715.00
Changes in Working Capital:		
Increase / (Decrease) in trade payables	163.85	(1,785.50)
Increase / (Decrease) in other current liabilities	(46.73)	26.30
Decrease / (Increase) in trade receivables	(786.98)	879.64
Decrease / (Increase) Other Non Current Assets	(14.29)	86.93
Decrease / (Increase) in inventories	(2,641.02)	1,175.85
Decrease / (Increase) in short term loans and advances	118.76	17.09
Decrease / (Increase) in other bank balances	178.73	258.28
Cash generated from operations	400.49	1,373.59
Taxes paid (net of refunds)	(171.84)	22.82
Net cash generated from operating activities	228.65	1,396.41
B. Cash flow from investing activities		
Purchase of property, plant and equipment	(96.17)	(3.90)
Sale of tangible/intangible assets	0.33	0.20
Investment in equity shares	2.98	(0.76)
Interest received	15.73	33.26
Net cash flow from investing activities	(77.13)	28.80
C. Cash flow from financing activities		
Proceeds from long term borrowings	-	895.00
proceeds/(repayment) of long term borrowings	(219.41)	(270.23)
Net repayment of short term borrowings	(218.70)	(1,649.14)
Repayment of finance lease obligation (Net)	-	(0.03)
Intercompany deposits	475.00	150.00
Loan proceeds from directors/related parties	250.00	250.00
Interest paid	(496.45)	(636.40)
Net cash used in financing activities	(209.56)	(1,260.80)
Net increase in cash and cash equivalents	(58.04)	164.41
Cash and cash equivalents at the beginning of the year	323.84	159.43
Cash and cash equivalents at the end of the year	265.80	323.84

Note:

- 1 The above cash flow statement has been prepared by using the indirect method as per Accounting Standard 3- Cash Flow Statement
- 2 Previous year's figures have been regrouped wherever necessary.

As per our report of even date attached

For and on behalf of the Board

For **RAGHU AND RAM**

Chartered Accountants (FIRM REG NO:003340S)

T RAGHUNATHAN

Proprietor
(M. NO.019425)
UDIN : 22019425AKCRNT1738

B.K.PATODIA

Chairman
DIN No. 00003516

ANKUR PATODIA

Managing Director
DIN No. 00003567

Place : Coimbatore
Date :18th May 2022

Place : Mumbai
Date :18th May 2022

Place : Mumbai
Date :18th May 2022

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

1 Summary of Significant accounting policies

a. Basis of preparation

The financial statements are prepared to comply with the mandatory Accounting Standards prescribed in the Companies (Accounting Standards) Rules 2006, (as amended) issued by the National Advisory Committee on Accounting Standards and the relevant provisions of the Companies Act, 2013. The financial statements have been prepared under the historical cost convention, on the basis of a going concern and on accrual basis.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 (twelve) months for the purpose of current – non current classification of assets and liabilities.

b. Use of Estimates

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities on the date of financial statements and reported amounts of revenue and expenses of that year. Actual result could differ from these estimates. Any revision to accounting estimates is recognised prospectively.

c. Property, plant and equipment

(i) Tangible Assets/Intangible Assets are stated at acquisition cost less net of accumulated depreciation. Expenditure during construction period in respect of new project/expansion is allocated to the respective Property, plant and equipments on their being ready for commercial use. Property, plant and equipment are eliminated from financial statements, either on disposal or when retired from active use. Also refer Policy g and h below. Losses arising from the retirement of, and gains or losses arising from disposal of Property, plant and equipment which are carried at cost are recognised in the Statement of Profit and Loss.

(ii) Impairment of Assets : The company assesses at each Balance Sheet date whether there is any indication that any asset (both tangible and intangible) may be impaired, if any such indication exists, the carrying value of such assets is reduced to recoverable amount and the impairment loss is charged to Statement of Profit and Loss. If at the Balance sheet date there is any deduction that a previously assessed impairment loss no longer exists, then such loss is reversed and the asset is restated to that extent.

d. Investments

Long term investments are stated at cost less provision, if any, for other than temporary diminution in the value of investments.

e. Inventories

Inventories are stated at lower of cost and net realisable value. Goods in process is stated at cost. The cost includes cost of purchase, freight, taxes and duties and is net of input credit where ever applicable, cost of conversion and other cost incurred in bringing the inventories to their present location and condition. Raw Material is considered at "weighted average" cost basis and cost of finished goods is considered as per "Specific identification" cost basis.

f. Revenue Recognition

Sales are recognised as and when risks and rewards of ownership are passed on to the buyer and ultimate realisation of price is reasonably certain. Sales are net of GST.

g. Borrowing Cost

Borrowing costs attributable to acquisition and construction of qualifying assets are capitalised as a part of the cost of such asset upto the date when such asset is ready for its intended use. All other Borrowing costs are charged to Statement of Profit and Loss.

h. Depreciation

Depreciation has been provided on straight line method based on useful life of Assets as prescribed in Schedule II to the Companies Act, 2013.

Plant and equipments have been, on technical assessment, considered as continuous process plants as defined in the said schedule and depreciation has been provided accordingly.

Intangible assets are amortised based on their estimated useful life.

i. Employee Benefits

Short Term employee benefits including accrued liability for Leave Encashment (other than termination benefits)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022 (Contd.)

which are payable within 12 (twelve) months after the end of the period in which the employees render service are paid/provided during the year as per the Rules of the Company.

(i) Defined Contribution Plans:

Retirement benefits in the form of Provident Fund, Family Pension Funds, Superannuation Fund (wherever opted) and Employees State Insurance Contribution are defined contribution scheme and the contributions are charged to the Statement of Profit and Loss of the year when the contributions to the respective funds are due. There are no other obligations other than the contribution payable to the respective trusts.

(ii) Defined Benefit plans:

The company provides for Gratuity, a defined benefit retirement plan, covering eligible employees. The scheme is funded with Life Insurance Corporation of India. Liability under Gratuity plan is provided for on the basis of an actuarial valuation on projected unit credit method made to the end of each period.

(iii) Termination Benefits:

Payments under Voluntary Retirement Scheme, if any are recognized in the Statement of Profit and Loss of the year in which such payments are effected.

j. Foreign Currency Transactions

Transactions in Foreign Currency are recorded at the rate of exchange in force at the date of transactions.

Foreign Currency assets and liabilities both monetary and non monetary are stated at the rate of exchange prevailing at the year end and resultant gains/losses are recognised in the Statement of profit and loss. Premium / Discount in respect of Forward Foreign Exchange contracts are recognised over the life of the contracts.

k. Taxation

Income Tax expenses comprises Current Tax and deferred tax charge or credit (reflecting the tax effects of timing differences between accounting income and taxable income for the year, unabsorbed depreciation or carry forward loss under taxation laws).

Deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognised using the tax rates that have been enacted or substantively enacted on the Balance Sheet date.

Deferred tax assets are recognised only to the extent that there is reasonable certainty that the assets can be realised in future; however where there is unabsorbed depreciation or carry forward loss, deferred tax assets are recognised only if there is virtual certainty of realisation of such assets at each balance sheet date the Company re-assesses the deferred tax assets.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis. Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off assets against liabilities representing current tax and where the deferred tax assets and the deferred tax liabilities relate to taxes on income levied by the same governing taxation laws

Minimum Alternative Tax credit is recognised as an asset only when and to the extent there is convincing evidence that the company will pay normal income tax during the specified period and is reviewed at each balance sheet date.

l. Provisions and Contingent Liabilities

Provisions: Provisions are recognised when there is a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance sheet date and are not discounted to its present value.

Contingent Liabilities: Contingent liabilities are disclosed when 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 a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made, is termed as a contingent liability.

m. Leases

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Company is classified as a finance lease. The determination whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfillment of the arrangement is dependent on the use of

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022 (Contd.)

a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

(i) **Company as a lessor**

The rental income from operating leases is generally recognised on a straight-line basis over the term of the relevant leases except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight line basis over the lease term.

(ii) **Company as a lessee**

Contingent rentals are recognised as expenses in the periods in which they are incurred. Operating lease payments are recognised as an expense in the statement of profit and loss on a straight line basis over the lease term.

n. Cash and Cash Equivalents

In the cash flow statement, cash and cash equivalents includes cash in hand, demand deposits with banks, other short-term highly liquid investments with original maturities of three months or less.

o. Earnings Per Share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Earnings considered in ascertaining the Company's earnings per share is the net profit for the period. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022 (Contd.)

2 SHARE CAPITAL

	As at 31.03.2022 (₹ in lacs)	As at 31.03.2021 (₹ in lacs)
(a) Authorised:		
49,97,500 Equity shares of Rs.10 each	499.75	499.75
250 , 11% Cumulative Redeemable Preference shares of Rs.100 each	0.25	0.25
(b) Issued, Subscribed and Paid up:		
45,02,310 Equity shares of Rs.10 each fully paid up	450.23	450.23
TOTAL	450.23	450.23

(c) Reconciliation of number of shares

	As at March 31, 2022		As at March 31, 2021	
	No of Shares	Amount ₹ lacs	No of Shares	Amount ₹ lacs
Equity Shares:				
Balance as at the beginning of the year	45,02,310	450.23	45,02,310	450.23
Add: Shares issued during the year	Nil	Nil	Nil	Nil
Balance as at the end of the year	45,02,310	450.23	45,02,310	450.23

(d) Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company

Name of Share Holder	As at March 31, 2022		As at March 31, 2021	
	No of Shares	% of holding	No of Shares	% of holding
i Shri. Binod Kumar Patodia	4,72,310	10.49%	4,72,310	10.49%
ii Binod Kumar Patodia HUF	6,08,500	13.52%	6,08,500	13.52%
iii Shri. Umang Patodia	5,55,000	12.33%	5,55,000	12.33%
iv Umang Patodia HUF	3,92,000	8.71%	3,92,000	8.71%
v Shri. Ankur Patodia	6,50,000	14.44%	6,50,000	14.44%
vi Ankur Patodia HUF	3,60,000	8.00%	3,60,000	8.00%
vii Smt. Prabha Patodia	5,80,000	12.88%	5,80,000	12.88%
viii Smt. Mala Patodia	4,73,000	10.51%	4,73,000	10.51%
ix Smt. Swati Patodia	4,10,000	9.11%	4,10,000	9.11%

(e) There was no issue of shares allotted as fully paid up shares pursuant to contract(s) without payment being received in cash or buy back or bonus shares in the preceding five years.

(f) During the year and preceding financial year there is no change in shareholding pattern of promoters.

3 Reserves and surplus

	As at 31.03.2022 (₹ in lacs)	As at 31.03.2021 (₹ in lacs)
(a) General Reserve		
Balance as at the beginning and end of the year	1,005.00	1,005.00
(b) Capital Reserve		
Balance as at the beginning and the end of the year	15.00	15.00
(c) Surplus/(Deficit) in Statement of Profit and Loss		
Balance as at the beginning of the year	1,155.01	1,396.40
Add: Profit/(Loss) for the year	1,704.81	(241.39)
Balance as at the end of the year	2,859.82	1155.01
TOTAL	3879.82	2175.01

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022 (Contd.)

	As at 31.03.2022 (₹ in lacs)		As at 31.03.2021 (₹ in lacs)	
	Non Current	Current	Non Current	Current
4 Long-term borrowings				
(a) Secured loans				
Term Loans :				
From Banks	455.40	289.12	737.09	107.91
(b) Un-secured loans				
Term Loans :				
From Banks	73.18	147.24	218.84	120.51
Total	<u>528.58</u>	<u>436.36</u>	<u>955.93</u>	<u>228.42</u>

I Term loan are secured by :

- (i) Term loans from Banks outstanding of Rs 744.52 lacs (Previous year - Rs 845.00 lacs) are guaranteed by Government of India under Emergency Credit Line Guarantee Scheme shall rank second parri passu with the existing credit facilities.
- (ii) The unsecured Term loan aggregating to Rs 220.42 lacs (Previous year Rs 339.35 lacs) from a scheduled Bank, is guaranteed by the Chairman and also by Managing Director of the Company in their personal Capacity. Out of this Rs 48.73 lacs (Previous year 50.00 lacs) is guaranteed by Government of India under Emergency Credit Line Guarantee Scheme.

II The maturity pattern of loans are as set out below:

	(₹ in lacs)		
	Maturity Pattern		
	Within One Year	2-5 Years	Beyond 5 Years
a. Secured term loan from bank	289.12	455.40	-
b. Unsecured term loan from bank	147.24	73.18	-

III Rate of Interest:

a) Secured term loans	7.46%
b) Unsecured loans	12.36%

	As at 31.03.2022 (₹ in lacs)	As at 31.03.2021 (₹ in lacs)
5 Deferred tax liability (Net)		
(a) Deferred Tax Liabilities		
Difference of companies act and income tax act depreciation	829.00	790.12
(b) Deferred Tax Asset		
Other Disallowances	8.28	407.40
Net Deferred tax liability (a)-(b)	<u>820.72</u>	<u>382.72</u>
6 Short-term borrowings		
(a) Secured loans		
Loan repayable on demand		
From Banks - Working Capital facilities	1665.70	1884.40
From Banks - Current maturities of long-term loan	289.12	107.91
(b) Unsecured loans		
Corporate Deposit	985.50	510.50
Loan from Directors/Related Parties	600.00	350.00
From Banks - Current maturities of long-term loan	147.24	120.51
Total	<u>3687.56</u>	<u>2973.32</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022 (Contd.)

- i Working Capital loans from Banks are secured by pari passu first charge by way of hypothecation of current assets, and further secured by way of first charge on all immovable assets, both present and future and on all movable assets of the company, ranking pari passu inter se, and further secured by personal guarantee of Shri B.K.Patodia, Shri Umang Patodia and Shri Ankur Patodia.
- ii Non-fund based limits sanctioned by the bankers are secured by extension of first charge on the current assets of the Company and further secured by first charge on the immovable properties of the company, and further secured by personal guarantee of Shri B.K.Patodia, Shri Umang Patodia and Shri Ankur Patodia. Total amount outstanding at the end of the year is Rs 20.00 lacs (Previous year Rs.1960.02 lacs).
- iii Average Interest rate of Working capital loan is 14.16% p.a. (Previous year 12.02% p.a.)
Average Interest rate of Secured loan is 7.46% p.a. (Previous year 7.46% p.a.)
Average Interest rate of Un Secured loan is 12.36% p.a. (Previous year 12.86% p.a.)
Interest rate of Corporate Deposit is ranging from 13.00% to 16.00% p.a. (Previous year 13.00% to 16.00% p.a.)
Interest rate of loan from Directors /Related parties is ranging from 7.00% to 8.25% p.a. (Previous year 7.00% to 8.25% p.a.)

	As at 31.03.2022 (₹ in lacs)	As at 31.03.2021 (₹ in lacs)
7 Trade payables		
i total outstanding dues of micro, small and medium enterprises	30.03	25.40
ii total outstanding dues of creditors other than micro enterprises and small enterprises.	2,708.17	2,548.95
Total	<u>2,738.20</u>	<u>2,574.35</u>

Particulars	Outstanding for following periods from due date of Payment					Total
	Not due	Less than 1 Year	1-2 Years	2-3 Years	More than 3 years	
i MSME	30.03					30.03
ii Others	724.21	1,919.79	40.96	6.05	17.16	2,708.17
iii Disputed Dues-MSME						
iv Disputed Dues-Others						

* Also refer point No.35

8 Other current liabilities		
Expenses payable	284.72	252.80
Interest accrued but not paid	104.15	66.84
Advance from customers	-	74.59
Statutory and other dues payable	29.39	33.45
Total	<u>418.26</u>	<u>427.68</u>

9 Short-term provisions		
Provision for current tax (Net of Advance Tax and TDS of Rs. 232.89 lakhs)	201.29	-
Total	<u>201.29</u>	<u>-</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022 (Contd.)

10 Property, plant and equipment and intangible assets

(₹ in lacs)

Description	Gross Block				Depreciation/Amortisation					Net Block		
	As at 01.04.2021	Addition	Adjustments	Deductions	As at 31.03.2022	As at 01.04.2021	For the Year	Adjustments	Deductions	As at 31.03.2022	As at 31.03.2022	As at 31.03.2021
A Tangible assets												
(i) Own Assets												
Land	122.75	-		-	122.75	-				-	122.75	122.75
Building	1,927.85	-			1,927.85	966.10	59.43	-		1,025.53	902.32	961.75
Plant and Equipment	9,101.39	85.98		1.72	9,185.65	5,462.43	351.32	-	1.17	5,812.58	3,373.07	3,638.96
Office Equipments	100.43	5.63	-	3.26	102.80	97.71	3.28		3.18	97.81	4.99	2.72
Furniture and Fixtures	56.94	3.30		-	60.24	56.31	0.62		-	56.93	3.31	0.63
Vehicles	123.44	-	-	-	123.44	109.69	2.80		-	112.49	10.95	13.75
Total A	11,432.80	94.91	-	4.98	11,522.73	6,692.24	417.45	-	4.35	7,105.34	4,417.39	4,740.56
Previous year end (i)	11,385.36	41.20	9.79	3.55	11,432.80	6,275.64	411.16	8.61	3.17	6,692.24	4,740.56	5,109.72
(ii) Assets taken on finance lease:												
Vehicles	-	-	-	-	-	-	-	-	-	-	-	-
Total B	-	-	-	-	-	-	-	-	-	-	-	-
Previous year end (ii)	9.79	-	(9.79)		-	8.61	-	(8.61)	-	-	-	1.18
Total A + B	11,432.80	94.91	-	4.98	11,522.73	6,692.24	417.45	-	4.35	7,105.34	4,417.39	4,740.56
Previous year end (i) + (ii)	11,395.15	41.20	-	3.55	11,432.80	6,284.25	411.16		3.17	6,692.24	4,740.56	5,110.90
B Intangible assets												
Computer Software	104.10	-			104.10	91.95	0.11		-	92.06	12.04	12.15
Total C	104.10	-	-	-	104.10	91.95	0.11	-	-	92.06	12.04	12.15
Previous year end (iii)	104.10	-			104.10	81.71	10.24		-	91.95	12.15	22.39
Total A+B+C	11,536.90	94.91	-	4.98	11,626.83	6,784.19	417.56	-	4.35	7,197.40	4,429.43	4,752.71
Previous year end (i) to (iii)	11,499.25	41.20	-	3.55	11,536.90	6,365.96	421.40		3.17	6,784.19	4,752.71	5,133.29
C Capital work -in-progress												
Plant and Equipment											1.26	-
Previous year end											-	-

* Ageing - Less than one year

**As at
31.03.2022
(₹ in lacs)** **As at
31.03.2021
(₹ in lacs)**

11 Non-current investments

Long-term investments - At cost

In Equity instruments - Non -Trade (unquoted)

475619 Equity shares(Previous Year 475619) of Rs 10 each in M/s Gamma Green Power Private Limited	47.56	47.56
53100 Equity shares(Previous Year 79000) of Rs 10 each in M/s OPG Power Generation Private Limited	6.11	9.09
In Government Securities		
Non-Trade (unquoted)		
National Savings Certificates (Lodged with statutory authorities)	0.36	0.36
Total	54.03	57.01

12 Long-term loans and advances

Unsecured and considered good

Income tax (Net of provision)

Minimum Alternate Tax credit entitlement

		61.05
	621.11	529.11
Total	621.11	590.16

13 Other non-current assets

Security Deposits

		39.22
Total	53.51	39.22

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022 (Contd.)

	As at 31.03.2022 (₹ in lacs)	As at 31.03.2021 (₹ in lacs)
14 Inventories		
Stores, spares and packing materials	9.35	16.45
Stock-in-trade		
Raw materials	1805.44	1008.15
Goods-in-process	975.01	247.07
Finished goods	1692.89	613.43
Waste stock	61.36	17.93
Total	<u><u>4544.05</u></u>	<u><u>1903.03</u></u>

15 Trade receivables		
Unsecured and considered good	2035.65	1248.67
Total	<u><u>2035.65</u></u>	<u><u>1248.67</u></u>

Particulars	Outstanding for following periods from due date of Payment						Total
	Not due	Less than 6 months	6 months-1 Year	1-2 Years	2-3 Years	More than 3 Years	
i Undisputed Trade Receivables -considered good	1,772.75	237.01	2.66	3.42	15.60	4.21	2035.65
ii Undisputed Trade Receivables -considered doubtful	-	-	-	-	-	-	-
iii Disputed Trade Receivables -considered good	-	-	-	-	-	-	-
iv Disputed Trade Receivables -considered doubtful	-	-	-	-	-	-	-

16 Cash and bank balances		
Cash and cash equivalents :		
Cash in hand	0.95	0.27
Cash at bank :		
Balances with banks in current accounts	264.85	323.57
Margin Money and other lien deposits	55.34	234.07
Total	<u><u>321.14</u></u>	<u><u>557.91</u></u>

17 Short-term loans and advances		
Unsecured and considered good		
Prepaid expenses	144.12	96.97
Other advances	18.34	2.16
Balances with statutory authorities	461.06	222.40
Total	<u><u>623.52</u></u>	<u><u>321.53</u></u>

18 Other current assets		
Interest accrued on deposits	2.18	9.47
Export incentives	20.52	20.08
Interest subvention receivable	18.26	-
Claim receivable	-	439.45
Total	<u><u>40.96</u></u>	<u><u>469.00</u></u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022 (Contd.)

		2021-2022 (₹ in lacs)	2020-2021 (₹ in lacs)
19	Revenue from operations		
	(A) Sale of Products (Net of Tax)		
	Finished Goods :		
	Exports	14,875.23	7,442.34
	Local	9,979.04	5,645.05
	Traded Goods :		
	Exports	1,613.77	1,377.69
	Waste Sales :		
	Local	1,287.54	568.23
	Net Sales	<u>27,755.58</u>	<u>15,033.31</u>
	Total (A)		
	(B) Other Operating Revenues		
	Export Incentives	114.49	171.51
	Job Work Charges	189.46	47.87
	Total (B)	<u>303.95</u>	<u>219.38</u>
	Total (A) + (B)	<u><u>28,059.53</u></u>	<u><u>15,252.69</u></u>
20	Other income		
	Interest Income	8.11	31.78
	Sale of Scrap	14.20	4.11
	Interest on Income Tax Refund	0.33	0.96
	Total	<u><u>22.64</u></u>	<u><u>36.85</u></u>
21	Cost of materials consumed		
	a Raw materials Consumed		
	Opening inventory	1,008.15	1,909.74
	Add: Purchases during the year	22,316.64	8,583.57
	Less: Sale of cotton	4,201.01	549.41
	Less: Closing inventory	1,805.44	1,008.15
	Sub Total	<u><u>17,318.34</u></u>	<u><u>8,935.75</u></u>
	b Packing Material Consumed		
	Opening inventory	16.12	12.32
	Add: Purchases during the year	253.39	153.82
	Less: Closing inventory	8.89	16.12
	Sub Total	<u><u>260.62</u></u>	<u><u>150.02</u></u>
	Total (A) + (B)	<u><u>17,578.96</u></u>	<u><u>9,085.77</u></u>
22	Changes in inventory of finished goods, goods in process and waste		
	a Stock at the beginning of the year:		
	Finished goods	613.43	732.05
	Goods-in-process	247.07	404.16
	Waste	17.93	15.07
	Sub Total	<u><u>878.43</u></u>	<u><u>1,151.28</u></u>
	b Less : Stock at the end of the year:		
	Finished goods	1692.89	613.43
	Goods-in-process	975.01	247.07
	Waste	61.36	17.93
	Sub Total	<u><u>2729.26</u></u>	<u><u>878.43</u></u>
	Decrease /(Increase) in Stocks (a-b)	<u><u>(1850.83)</u></u>	<u><u>272.85</u></u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022 (Contd.)

	2021-2022 (₹ in lacs)	2020-2021 (₹ in lacs)
23 Employees benefits expenses		
Salaries, wages and bonus	1,151.33	908.34
Contribution to provident and other funds	84.99	45.57
Welfare expenses	145.34	112.05
Terminal dues /Compensation paid to Workmen	244.21	-
Total	1,625.87	1,065.96
24 Finance costs		
Interest expenses	533.76	641.66
Other borrowing costs	66.36	156.71
Interest on short fall in payment of Advance Tax /TDS	17.53	-
Total	617.65	798.37
25 Other expenses		
Power and fuel	1,618.93	1,256.14
Repairs and maintenance - Building	1.21	1.48
Repairs and maintenance - Plant and Equipments	288.63	125.89
Consumption - Stores and Spares	24.52	11.25
Processing charges	1,878.46	594.13
Rent	24.91	20.23
Insurance	53.97	55.36
Rates and taxes	34.84	26.56
Commission and brokerage	362.63	166.05
Other selling expenses	849.60	303.87
Payment to auditors :		
Statutory audit fees	1.00	1.00
Loss /(Profit) on Sale/transfer of PPE	0.30	0.18
Net loss/(gain) on foreign currency transaction and translation	(169.33)	(45.46)
Claim no longer recoverable	439.46	-
Miscellaneous Expenses	290.98	185.93
Total	5,700.11	2,702.61
26 Earnings Per Share (EPS)		
Net profit /(Loss) as per statement of profit and loss - Rs. In lakhs	1704.81	(241.39)
Weighted average no of Eqity Shares (Face value of Rs.10 each) - in Numbers	45,02,310	45,02,310
Basic and Diluted Earning Per Share - in Rs.	37.87	(5.36)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022 (Contd.)

27 Employees Benefits

Particulars		Gratuity (Funded) 2021-22 (₹ in lacs)	Gratuity (Funded) 2020-21 (₹ in lacs)
(a) Expense recognised during the year			
1	Current Service Cost	7.79	9.53
2	Interest cost	6.54	9.13
3	Expected return on plan assets	(4.38)	(9.01)
4	Actuarial Loss/(Gain) during the year	70.58	(47.46)
5	Expenses recognised in Profit & Loss account	80.53	(37.81)
(b) Actual return on Plan assets			
1	Expected return on plan assets	4.38	9.01
2	Actuarial Gain/(Loss) on Plan assets	-	-
3	Actual return on plan assets	4.38	9.01
(c) Net Asset/(Liability) recognised in the Balance Sheet			
1	Present value of the obligation at the year end	100.69	93.41
2	Fair Value of plan assets at the year end	65.26	132.25
3	Funded status - surplus/(deficit)	(35.43)	38.84
4	Unrecognised past service cost	-	-
5	Net Asset/(Liability) recognised in the Balance Sheet	(35.43)	38.84
(d) Change in Present value of the Obligation during the year			
1	Present value of the obligation as at the beginning of year	93.41	125.95
2	Current service cost	7.79	9.53
3	Interest cost	6.54	9.13
4	Benefits paid	(77.63)	(3.74)
5	Actuarial loss/(gain) on obligation	70.58	(47.46)
6	Present value of obligation at the year end	100.69	93.41
(e) Change in Assets during the year			
1	Fair Value of plan assets at the beginning of the year	132.25	126.87
2	Expected return on plan assets	4.38	9.01
3	Contributions made	6.26	0.11
4	Benefits paid	(77.63)	(3.74)
5	Actuarial Loss/(gain) on plan assets	-	-
6	Fair value of plan assets at the year end	65.26	132.25
(f) Actuarial Assumptions			
1	Discount rate	7.00%	7.00%
2	Salary escalation	3.00%	3.00%

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022 (Contd.)

28 Related party disclosure

Disclosure in respect of Related Parties pursuant to Accounting Standard -18

(a) List of Related Parties (As identified by the Management)

Related parties with whom company entered in to transactions during the year

i Associates:

- 1 GTN Textiles Limited
- 2 Patspin India Limited

ii Key Management Personnel:

- 1 Shri Ankur Patodia -Managing Director

iii Enterprises/Entities having "Common Key Management Personnel":

- 1 Umang Finance Private Limited
- 2 Beekaypee Credit Private Limited
- 3 Patodia Exports and investments Private Limited

iv Relatives of Key Management Personnel:

- 1 Shri. B.K. Patodia - Father of Sri Ankur Patodia
- 2 B K Patodia HUF
- 3 Smt. Swati Patodia-Wife of Sri Ankur patodia
- 4 Smt. Mala Patodia-Sister in law of Sri Ankur Patodia

(b) During the year following transactions were carried out with related parties in the ordinary course of business and at arms length:

Nature of Transactions / Balances	Associates		Key Management Personnel		Enterprises/Relatives of Key management Personnel	
	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21
	₹ in lacs	₹ in lacs	₹ in lacs	₹ in lacs	₹ in lacs	₹ in lacs
Sale of goods	671.53	1,150.56				
Purchase of goods and services	1,716.92	2,561.52			594.61	-
Rendering services	216.32	63.39				
Receiving services	1,268.02	396.53			9.00	9.00
Remuneration paid			34.50	21.98	10.29	6.09
Sitting fees					0.38	0.16
Interest paid			13.04		32.42	6.68
Deposits			250.00			
Balances as at year end:						
Amount (Receivable)/ Payable	381.21	99.46			154.32	-
Loan/Deposit Outstanding			250.00	-	400.50	400.50
Interest payable			14.63	2.89	46.28	27.04
Guarante Provided for	1700.00	1700.00				

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022 (Contd.)

(c) Disclosure in respect of transactions which are more than 10% of the total transactions of the same type with related parties

		Transactions	
		2021-22	2020-21
		₹ in lacs	₹ in lacs
(i)	Sale of goods		
	a) Cotton		
	i) GTN Textiles Limited	361.08	54.70
	ii) Patspin India Limited	50.68	512.19
	b) Cotton Yarn		
	i) GTN Textiles Limited	246.65	319.40
	ii) Patspin India Limited	-	264.13
	c) Store Items		
	i) Patspin India Limited	13.13	0.14
(ii)	Purchase of goods		
	a) Cotton		
	i) GTN Textiles Limited	-	1,125.37
	ii) Patspin India Limited	8.69	85.12
	b) Cotton Yarn		
	i) GTN Textiles Limited	1,474.04	678.10
	ii) Patspin India Limited	217.51	667.28
	iii) Umang Finance Private Limited	92.20	-
	iv) Beekeypee Credit Private Limited	502.41	-
(iii)	Purchase of waste		
	i) Patspin India Limited	5.34	4.08
	ii) GTN Textiles Limited	10.12	-
(iv)	Purchase of Packing Material		
	i) Patspin India Limited	0.46	0.20
	ii) GTN Textiles Limited	0.73	-
(v)	Store items		
	i) GTN Textiles Limited	-	1.37
	ii) Patspin India Limited	0.04	-
(vi)	Rendering of services		
	a) Processing Charges		
	i) GTN Textiles Limited	5.65	35.11
	ii) Patspin India Limited	210.68	28.28
(vii)	Receiving of services		
	a) Rent		
	i) GTN Textiles Limited	1.20	0.90
	ii) Patspin India Limited	1.08	1.08
	iii) Smt. Mala Patodia	9.00	9.00
	b) Processing Charges		
	i) GTN Textiles Limited	0.62	63.23
	ii) Patspin India Limited	1,265.12	331.32
(viii)	Remuneration paid		
	Shri. Ankur Patodia (Managing Director)	34.50	21.98
	Smt. Mala Patodia	4.67	4.01
	Smt. Swati Patodia	5.62	2.09

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022 (Contd.)

		Transactions	
		2021-22	2020-21
		₹ in lacs	₹ in lacs
(ix)	Sitting Fees		
	Shri. B.K. Patodia	0.20	0.16
	Shri.Umang Patodia	0.18	-
(x)	Fixed Deposit		
	Shri. Ankur Patodia	250.00	-
(xi)	Interest On Fixed Deposit		
	1. Umang Finance Private Limited	2.62	2.62
	2. Patodia Exports and investments Private Limited	5.39	1.89
	3. Shri. Ankur Patodia	13.04	-
	4. Shri. B.K. Patodia	14.00	-
	5. B.K. Patodia HUF	8.25	-
	6. Beekaypee Credit Private Limited	2.17	2.17

Notes:

- i) The related parties have been identified by the Management and relied upon by the auditors.
- ii) No amount has been provided for / written back, pertaining to related parties.

29 The accounts of Trade receivables, Trade Payables, Loans and Advances are however, subject to formal confirmations / reconciliation and consequent adjustments, if any. The management does not expect any material difference affecting the current period's financial statements on such reconciliation / adjustments.

30 In term of Accounting Standard -17, the company operates materially only in one business segment viz., Textile industry and have its production facilities and all other assets located within India. Sales to external customers comprise outside India sales of Rs 16489.01 Lacs (Previous year Rs.8820.04 lacs) and within India sale of Rs.11266.58 lacs (Previous year Rs.6213.29 Lacs).

31 Lease: Disclosure as required in AS-19.

a. Financial lease:

There is no finance lease obligations outstanding during the year ended 31st March 2022 and previous year.

b. Operational lease:

The lease expenses for cancellable operating leases during the year ended 31st March, 2022 is Rs.24.91 lacs (Previous year Rs.20.23 lacs). The Company's significant leasing arrangements in respect of operating leases for office premises, which includes cancellable leases generally range between 11 months to 60 months and are usually renewable by mutual consent on mutually agreeable terms. The aggregate lease rentals payable are charged as rent under note 25 of the financial statements.

32 Contingent liability and commitments :

a. Commitments

- 1 Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) Nil (Previous year Rs.Nil).
- 2 Outstanding Export Forward Contracts (not in the nature of derivatives) as on 31 st March '22 which were entered into for hedging exchange risk arising from foreign currency fluctuations related to highly probable future transactions amount to US\$ 57.13 lacs (Previous Year US\$ 46.30 lacs) at average Exchange Rate of Rs 76.44 /US\$ (Previous year 74.09/US\$) and Euro 13.63 lac (Previous year 8.73 Lakh) at average exchange rate Rs 87.51 /Euro (Previous year Rs 90.29 /Euro). The period covered under these contracts spreads over April 2022 to November 2022 (Previous Year April 2021 to December 2021). The average Exchange Rate applicable for the above period based on exchange rate on 31.03.2022 works out to Rs 76.56 /US\$ and Rs 85.94/Euro (Previous year Rs 74.59/US\$ Euro Rs 87.51), resulting in notional gain of Rs 14.82 lacs (Previous year notional loss of Rs 1.19 lacs)
- 3 Outstanding Import Forward Contracts (not in the nature of derivatives) as on 31st March '22 which were entered into for hedging exchange risk arising from foreign currency fluctuations related to highly probable future transactions amounting to US\$ Nil (Previous year US\$ 11.44 lacs at average exchange rate of Rs.73.49

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022 (Contd.)

/US\$. The period covered under these contracts spreads over April 2021 to May 2021. The average Exchange rate applicable for the above period based on exchange rate as on 31.03.2021 works out to Rs 73.94/US\$, resulting in notional gain of Rs 5.09 lacs)

b. Contingent liabilities

- 1 Contingent Liabilities not provided in respect of :
Disputed amounts of Taxes and duties and other claims not acknowledged as debts:
 - a. Market committee cess Rs. Nil (Previous year Rs. 1.13 lacs) .
 - b. TANGEDCO has been charging electricity tax @ 5% on Demand Charge through their bills. This was challenged by a consumer in Hon'ble Supreme Court (SC) and SC has accepted the appeal on records. Liability towards the same Rs 43.43 Lacs (Previous Year Rs 36.46 lacs)
 - c. TANGEDCO has denied deemed demand benefit available for use of self generated thermal power received through group captive arrangement. This was challenged in Hon'ble Madras High Court and the Hon'ble High court has given injunction with a condition to TANGEDCO to Charge only 50% till the matter is decided. Liability towards the same was Rs 135.35 lacs. (Previous year Rs 121.45 lacs)
 - d) During the assessment year 2007-08, there was dispute regarding depreciation claimed on Wind Turbine and the matter is pending before the Commissioner of Income Tax (Appeal) . However the demand pending there against is Rs Nil and the company is hopeful of outcome in its favour.
 - e) Claim receivable from a party is in dispute -Rs Nil lacs (Previous year Rs 439.45 lacs).
- 2 The company has given Corporate Guarantee amounting to Rs.1700 lacs (Previous year Rs. 1700 lacs) to a Financial Institution in respect of financial assistance provided by them to Patspin India Limited and the outstanding amount there of is Rs.565.85 lacs as on 31st March 2022 (Previous Year – Rs. 633.87 lacs).

33 Particulars of un hedged Foreign Currency exposures as at 31 st March 2022 are as given below:

Particulars	Currency	As at 31.03.2022			As at 31.03.2021		
		Amount in lacs USD	Exchange Rate ₹	Amount (₹ in lacs)	Amount in lacs USD	Exchange Rate ₹	Amount (₹ in lacs)
Accounts payable	USD	8.60	75.72	651.08	40.54	73.53	2980.82

34 Net Loss/Gain on Foreign currency transaction and translation

The amount of net gain on foreign currency transaction and translation included in the other expenses amounts to Rs. 169.33 lacs (Previous year Rs.45.46 lacs gain). This includes gain on account of export Rs.185.56 lacs (Previous year Rs. 29.74 lacs gain). Loss on account of Import Rs.16.23 lacs (Previous year Rs. 15.72 lacs gain).

35 Details of dues to Micro, Small and Medium enterprises as defined under the Micro, Small and Medium Enterprises Act, 2006

Particulars	As at 31.03.2022	As at 31.03.2021
	₹ in lacs	₹ in lacs
a. The principal amount due thereon remaining unpaid as on the Balance sheet date	30.03	25.40
b. Interest paid along with the amount of the payment during the year	Rs. Nil	Rs. Nil
c. Interest due and payable but without adding the interest specified in the above mentioned act.	Rs. Nil	Rs. Nil
d. Interest accrued and remaining unpaid at the end of the year.	Rs. Nil	Rs. Nil
e. Amount of interest remaining due and payable in subsequent years, and such interest actually paid to and deductible expenditure under section 23 of the said act.	Rs. Nil	Rs. Nil

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022 (Contd.)

36 Value of imports on CIF basis

Particulars	31.03.2022 (₹ in lacs)	31.03.2021 (₹ in lacs)
Raw Materials - Cotton	7147.56	2587.03
Stores	22.91	-
Total	7170.47	2587.03

37 Expenditure in foreign currency

Particulars	2021-2022 (₹ in lacs)	2020-2021 (₹ in lacs)
Agents Commission	166.46	102.11
Others	31.02	6.35
Total	197.48	108.46

38 Imported and Indigenous Raw Materials, Traded goods, Packing materials, Stores and spares

Particulars	2021-2022		2020-2021	
	(₹ in lacs)	Percentage	(₹ in lacs)	Percentage
(a) Raw Materials				
Cotton Imported	7,611.60	43.95%	3,332.63	37.30%
Cotton Indigenous	4,160.54	24.02%	2,469.89	27.64%
Yarn Indigenous	5,546.20	32.02%	3,133.23	35.06%
	17,318.34	100.00%	8,935.75	100.00%
(b) Traded Goods (Yarn -Indigenous)	1507.86		1258.08	
(c) Packing Materilas (Indigenous)	260.62		150.02	
(d) Stores and Spares				
Imported	22.44	58.61%	9.26	49.84%
Indigenous	15.85	41.39%	9.32	50.16%
	38.29	100.00%	18.58	100.00%
Total	19125.12		10362.43	

*Note Includes HSD Value of Rs 13.77 lacs (Previous year Rs 7.32 lacs) Charged to Power & Fuel

39 Earnings in foreign currency

Particulars	2021-2022 (₹ in lacs)	2020-2021 (₹ in lacs)
FOB Value of Exports (Rs in lacs)	15,897.08	8,696.10

40 Ratios

Particulars	2021-2022		2020-2021		% Change	Remarks
	₹ in lacs	Ratio	₹ in lacs	Ratio		
a	Current Assets	7,565.32	4,500.14			Refer Note No 1
b	Current Liabilities	7,045.31	5,975.35			
	Current Ratio (a/b)		1.07	0.75	43%	
c	Total Debt	7,573.89	6,931.28			
d	Shareholders Equity.	4,330.05	2,625.24			
	Debt-Equity Ratio (c/d)		1.75	2.64	-34%	
e	Profit/(Loss) before tax	2,484.99	(315.50)			
f	Finance Cost	93.94	148.21			

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022 (Contd.)

Particulars		2021-2022		2020-2021		% Change	Remarks
		₹ in lacs	Ratio	₹ in lacs	Ratio		
							Refer Note No 1
g	Depreciation	417.56		421.40			
h	Net operating Income (e+f+g)	2,996.49		254.11			
i	Principal Repayment	219.41		270.22			
j	Interest Payments	93.94		148.21			
k	Total Debt service (i+j)	313.35		418.43			
	Debt Service Coverage Ratio (h/k)		9.56		0.61	1475%	
l	Profit/(Loss) after tax	1,704.81		(241.39)			
m	Average Shareholders Equity	3,477.65		2,745.94			
	Return on Equity Ratio (l/m)		0.49		(0.09)	-658%	
n	Sales	28,082.17		15,289.54			
o	Average inventory	3223.54		2490.96			
	Inventory turnover Ratio(n/o)		8.71		6.14	42%	
p	Sales	28,082.17		15,289.54			
q	Average Trade Receivable	1,642.16		1,688.49			
	Trade Receivable turnover Ratio (p/q)		17.10		9.06	89%	
r	Purchases	24,077.89		9,995.47			
s	Average Trade Payables	2,656.27		3,479.87			
	Trade payable turnover Ratio (r/s)		9.06		2.87	2.16	
t	Sales	28,082.17		15,289.54			
u	Current assets	7,565.32		4,500.14			
v	Current liabilities	7,045.31		5,975.35			
w	Net Assets (u-v)	520.01		(1,475.21)			
	Net Capital turnover ratio (t/w)		54.00		(10.36)	-621%	
x	Profit/(Loss) after tax	1,704.81		(241.39)			
y	Sales	28,082.17		15,289.54			
	Net Profit Ratio (x/y)		0.06		(0.02)	-485%	
z	Profit/(Loss) before tax	2,484.99		(315.50)			
aa	Finance Cost	617.65		798.37			
ab	Earning before Interest and Tax (z+aa)	3,102.64		482.87			
ac	Tangible Networkth	4,330.05		2,625.24			
ad	Total Debt	7,573.89		6,931.28			
ae	Deferred tax liability	820.72		382.72			
af	Capital employed (ac+ad-ae)	12,724.67		9,939.24			
	Return on Capital employed (ab/af)		0.24		0.05	402%	
ag	Return on Investment *						

* Investment made in Gamma Green Power Private Limited and OPG Power Generation Private Limited as a Captive Power User. Due to this investment, the Company has purchased 1,24,22,431 units of electricity at a cost of Rs. 6.00 per unit as against a unit cost of Rs. 6.90 per unit from TNEB.

Note no. 1

Due to significant improvement in the performance of the company and its cash flows during the FY 2021-22 aforesaid ratios have improved.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022 (Contd.)

41 Other Statutory Information

- a. All title deeds of immovable property are held in the name of the Company and the Company does not have any immovable property without Title in its name.
- b. During the year, the company has not revalued any of its Property, Plant and Equipment.
- c. No loans or advances in the nature of loan has been advanced/ granted to any of the Promoters/ Directors/ Key Managerial Personnel (KMP).
- d. Since there is no addition / deletion in Capital Work in Progress (CWIP) and Intangible assets during the year and hence disclosures regarding these items were not made.
- e. The Company does not hold any Benami Property.
- f. The quarterly returns filed with the bank disclosing the Current Assets tally with Books of Accounts
- g. No Bank(s), Financial Institution(s) or any lender has declared the Company as wilful defaulter.
- h. As per the available information, the company does not have any transactions with the Name struck-off companies.
- i. All the charges and satisfaction of charges if any have been registered with the Registrar of Companies within the stipulated time.
- j. Disclosure regarding compliance with number of layers of companies and compliance with approved scheme(s) of arrangement are not applicable for the year under review.
- k. The Company has not advanced or loaned or invested funds either out of borrowed funds or share premium or any other source or kind of funds to any other person(s) or entity (ies) including foreign entities during the year under review. Further, the company has not received any fund from any persons or entity (ies) including foreign entities (Funding Party) with the understanding that the Company shall directly or indirectly lend or invest in other persons or entities on behalf of the Funding Party during the year under review.
- l. Since there was no unrecorded transactions in the books of accounts during the year ,the requirement of its disclosure does not arise.
- m. During the Financial year 2021-22 there was no Liability towards CSR expenditure u/s 135 of the Companies Act 2013.
- n. The Company has not traded or invested in Crypto Currency or Virtual Currency during the financial year.

42 Estimation of uncertainty relating to COVID-19 pandemic

As per the current assessment of the Company in respect of Covid-19 Pandemic, there is no material Impact on the carrying values of trade receivables, inventory, and other financial /non-financial assets as at the reporting date. Given the uncertainties associated with nature, condition and duration of Covid-19, the company will closely monitor any material changes arising from the future economic conditions. The impact of the pandemic in the subsequent period is highly dependent on the situations as they evolve and hence may be different from that estimated as at the date of approval of these financial results.

43 Previous year's figures

The Company has reclassified/regrouped previous year's figures to conform to this year's classification.

Signature to Note 1 to 43

As per our report of even date attached

For and on behalf of the Board

For **RAGHU AND RAM**

Chartered Accountants (FIRM REG NO:003340S)

T RAGHUNATHAN

Proprietor

(M. NO.019425)

UDIN : 22019425AKCRNT1738

B.K.PATODIA

Chairman

DIN No. 00003516

ANKUR PATODIA

Managing Director

DIN No. 00003567

Place : Coimbatore

Date :18th May 2022

Place : Mumbai

Date :18th May 2022

Place : Mumbai

Date :18th May 2022



Registered Office: Erumathala P O., Aluva, Ernakulam 683112
Corporate Office: 43, Mittal Chambers, 4th Floor, 228, Nariman Point, Mumbai 400021

An ISO 9001: 2015 & ISO 14001:2015 Certified Company
www.gtnterprises.com