



ANNUAL REPORT
OF
**CHANDNI MACHINES
LIMITED**
2021-2022

ANNUAL REPORT 2021 - 2022
CHANDNI MACHINES LIMITED

INDEX:

SR. NO.	PARTICULARS	PAGE NO.
1.	Board and Committees as on 31 st March, 2022	3
2.	Notice to Shareholders	4
3.	Director's Report	18
4.	Management Discussion and Analysis Report	39
5.	Independent Auditor Report	44
6.	Balance Sheet as on 31 st March, 2022	55
7.	Profit and Loss as on 31 st March, 2022	57
8.	Cash Flow Statement as on 31 st March, 2022	59
9.	Notes on Financials	62

ANNUAL REPORT 2021 - 2022
CHANDNI MACHINES LIMITED

BOARD AND COMMITTEES AS ON 31ST MARCH, 2022

THE BOARD OF DIRECTORS	COMMITTEES
Jayesh Ramniklal Mehta [Managing Director]	AUDIT COMMITTEE
	Mr. Vasant Gaurishankar Joshi [Chairman]
Amita Jayesh Mehta [Non –Executive Director]	Mr. Bharat Sugnomal Bhatia
	Mr. Jayesh Ramniklal Mehta
	Mr. Richie Amin [Joined from November 8, 2022]
Bharat Keshavlal Shah [Director]	
	NOMINATION AND REMUNERATION COMMITTEE
Mr.Richie Hiralal Amin [Independent Director]	Mr. Bharat Sugnomal Bhatia [Chairman]
	Mr. Rameshchand Garg
Rameshchand Garg [Independent Director]	Mr. Vasant Gaurishankar Joshi
Bharat Sugnomal Bhatia [Independent Director]	STAKEHOLDERS RELATIONSHIP COMMITTEE
	Mr. Rameshchand Garg [Chairman]
	Mr. Bharat Sugnomal Bhatia
	Mr. Vasant Gaurishankar Joshi
Chief Financial Officer	Mr. Bharat Keshavlal Shah
Company Secretary & Compliance Officer	Ms. Neelam Devani
Registered Office Address	110, T.V. Industrial Estate, 52, S.K.Ahire Marg, Worli, Mumbai – 400030
Registrar and Share Transfer Agent	Purva Shareregistry (India) Private Limited
	9, Shiv Shakti Industrial Estate, J.R.Boricha Marg, Lower Parel (East), Mumbai – 400011
Secretarial Auditor	M/s N. L. Bhatia & Associates
Statutory Auditor	M/s Ambavat Jain & Associates, LLP, Chartered Accountant
Banks	HDFC Bank
	Union Bank
Website of the Company	www.cml.net.in

NOTICE TO SHAREHOLDERS

Notice is hereby given that 6th Annual General Meeting of the Members of CHANDNI MACHINES LIMITED will be held on September 29, 2022, at 03:00 P.M. through Video Conferencing (VC) or other Audio-Visual Means (OAVM) to transact the following businesses:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Standalone Financial Statements of the Company for the financial year ended March 31, 2022 together with the Reports of the Board of Directors Auditors and thereon;
2. To appoint a Director in place of Mrs. Amita Jayesh Mehta (DIN: 00193075), who retires by rotation and being eligible offers herself for re-appointment.
3. Re-appointment of the Statutory Auditors.

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

“RESOLVED THAT pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 (Act) [including any statutory modification(s) or re-enactment(s) thereof for the time being in force] and the Companies (Audit and Auditors) Rules, 2014, as amended from time to time, M/s. Ambavat Jain & Associates, Chartered Accountants (ICAI Firm Registration Number 109684W), be and are hereby re-appointed as the Statutory Auditors of the Company for the second consecutive term of five years to hold office commencing from the conclusion of this 6th Annual General Meeting (AGM) till the conclusion of the 11th AGM of the Company to be held in the year 2027, to examine and audit the accounts of the Company for the financial years 2022-23 to 2026-27 at such remuneration as may be decided by the Board of Directors of the Company in consultation with the Auditors from time to time.

RESOLVED FURTHER that the Statutory Auditors of the Company be and are hereby authorized to carry out (either themselves or through qualified Associates) the audit of the Company’s accounts maintained at all its offices, plants, works and establishments (whether now existing or as may be established or acquired during the Company’s respective financial years, up to 2026-27) wherever situated in India or abroad.

RESOLVED FURTHER that pursuant to the provisions of Section 143(8) and other applicable provisions, if any, of the Act, the Board of Directors be and is hereby authorized to re-appoint M/s. Ambavat Jain & Associates, the Company’s Auditors and/or in consultation with them, any other person or persons who is/ are qualified for appointment as Auditor or Auditors of the Company’s Branch offices (whether now existing or as may be established outside India) to examine and audit the accounts for the financial years upto 2026-27, on such remuneration as may be mutually agreed upon between the Board of Directors of the Company and the Auditors.”

SPECIAL BUSINESS:

4. To give loans, inter corporate deposits, give guarantees in connection with loans made by any person or body corporate and acquire by way of subscription, purchase or otherwise the securities of any other body corporate in excess of the limits prescribed in section 186 of the companies act, 2013.

To consider and, if thought fit, to pass the following resolution as a Special Resolution:

"RESOLVED THAT, in supersession of all the earlier resolutions passed and pursuant to the provisions of Section 186 of the Companies Act, 2013 (the 'Act') read with the Companies (Meetings of Board and its Powers) Rules, 2014, and other applicable provisions, if any, of the Act (including any statutory modification, amendment or re-enactment thereof for the time being in force) and subject to other applicable laws and such other approvals, consents, sanctions and permissions as may be required in that behalf and in terms of the Articles of Association of the Company, approval 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, unless the context otherwise requires, any Committee which the Board may have constituted or hereinafter constitute or any officer(s) authorized by the Board to exercise the powers conferred on the Board by this Resolution) to:

- a) give loans, inter corporate deposits from time to time on such terms and conditions as it may deem expedient to any person or other bodies corporate;
- b) give on behalf of any person, body corporate, any guarantee in connection with a loan made by any other person to, or to any other person by any body corporate; and
- c) acquire by way of subscription, purchase or otherwise the securities of any other person by any body corporate,

in excess of the limits prescribed under Section 186 of the Act up to an aggregate sum of Rupees 6,00,00,000/-, (Rupees Six Crore) notwithstanding that the aggregate of loans and investments so far made, the amounts for which guarantee is given along with the investments, loans, inter corporate deposits, guarantee proposed to be made or given by the Board may exceed sixty per cent of its paid-up share capital, free reserves and securities premium account or one hundred per cent of its free reserves and securities premium account, whichever is more.

RESOLVED FURTHER THAT the Board be and is hereby authorized to negotiate the terms and conditions of the above said investments, loan(s), inter-corporate deposits, or guarantee(s) as they deem fit and in the best interest of the Company and take all such steps as may be necessary to complete the same.

RESOLVED FURTHER THAT the limits indicated hereinabove in case of divestment, renewal, withdrawal, transfer or sale of investment I guarantee as the case maybe, be restored to the original sanctioned limit of Rupees 6,00,00,000/- (Rupees Six Crore).

RESOLVED FURTHER THAT Jayesh R Mehta, Managing Director of the Company be and is hereby authorized to negotiate and decide, time to time, terms and conditions, to execute such documents, deeds, writing papers and/or agreements as may be required and do all such acts, deeds, matters and things, as it may in its absolute discretion, deem fit, necessary or appropriate and settle any questions, difficulty or doubt that may arise in this regard."

ANNUAL REPORT 2021 - 2022
CHANDNI MACHINES LIMITED

5. Appointment of Mr. Richie Hiralal Amin (DIN: 02253316) as an Independent Director (Non-Executive) of the Company:

To consider and, if thought fit, to pass the following resolution as a Special Resolution:

“RESOLVED THAT pursuant to the provisions of Sections - 149, 152 and any other applicable provisions of the Companies Act, 2013 (“the Act”) read with Schedule - IV to the Act, the Companies (Appointment and Qualification of Directors) Rules, 2014, including any other Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) and in accordance with the Article of Articles of Association of the Company, Mr. Richie Hiralal Amin (DIN: 02253316) who was appointed as an Additional Director (in the capacity of a Non-Executive Independent Director) of the Company by the Board of Directors at its meeting held on November 08, 2021 pursuant to Section - 161 of the Act and as recommended by the Nomination and Remuneration Committee and whose term of office expires at this Annual General Meeting (AGM) and in respect of whom the company has received a notice in writing from a member along with the deposit of the requisite amount under Section - 160 of the Companies Act, 2013 proposing her candidature for the office of Director and who has submitted a declaration that she meets the criteria for independence as provided in Section - 149(6) of the Act, be and is hereby appointed as an Independent Non-Executive Director of the company to hold office for a term of 5 (five) consecutive years commencing from November 08, 2021 till November 07, 2025 whose period of office will not be liable to retire by rotation in terms of Section 152(6) of the Companies Act, 2013.

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

ANNUAL REPORT 2021 - 2022
CHANDNI MACHINES LIMITED

NOTES:

- An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 relating to the Special Business set out in item no. 3, 4 and 5 of the accompanying Notice to be transacted at the Annual General Meeting is annexed hereto.
- In view of the global outbreak of the COVID-19 pandemic, the Ministry of Corporate Affairs (“MCA”) has vide its Circular No. 14/2020 dated April 08, 2020, Circular No. 17/2020 dated April 13, 2020 and Circular No. 20/2020 dated May 05, 2020, General Circular No. 02/2021 dated 13th January, 2021 and General Circular No. 02/2022 Dated 05th May, 2022 (collectively referred to as “MCA Circulars”) and other applicable circulars issued by the Securities and Exchange Board of India (SEBI) permitted to hold the Annual General Meeting (“AGM”) through Video Conferencing (VC)/ Other Audio Visual Means (OAVM), without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 (the “Act”), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”) and MCA Circulars, the 6th AGM of the Company is being held through VC / OAVM. The deemed venue for the 6th AGM shall be deemed to be the Registered Office of the Company situated at 110, T. V. Industrial Estate, 52, S.K.Ahira Marg, Worli, Mumbai- 4000030.
- Pursuant to the provisions of the Act, a Member entitled to attend and vote at the 6th AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this 6th AGM is being held pursuant to the MCA Circulars through VC / OAVM facility, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the 6th AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice. However, the Body Corporates are entitled to appoint authorized representatives to attend the AGM through VC/OAVM and participate thereat and cast their votes through e-voting.
- Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting’s agency. The facility of casting votes by a member using remote e-voting before AGM as well as the e-voting on the date of the AGM will be provided by CDSL.
- The Board has appointed M/s S P K G & Co. LLP, Mumbai as the Scrutinizer to scrutinize the e-voting in a fair and transparent manner.
- The Members can join the AGM in the VC/OAVM mode 30 minutes before the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice and this mode will be available throughout the proceedings of the Meeting. The Members will be able to view the proceedings on the NSDL e-voting website at www.evoting.nsdl.com. The facility of participation at the AGM through VC/OAVM will be made available to at least 1,000 Members on a first come first serve basis as per the MCA Circulars. The detailed instructions for joining the Meeting though VC/OAVM form part of the Notes to this Notice.
- Institutional/Corporate Members intending to appoint their authorised representatives pursuant to Section 113 of the Act, to attend the 6th AGM through VC/OAVM or to vote through remote e-voting are requested to send a certified copy of the Board Resolution (PDF/JPG format) to the Scrutinizer by email at ashutosh.somani@spkg.co.in with a copy marked to www.cml.net.in
- The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Act.
- Pursuant to the provisions of Section 91 of the Act, the Register of Members and the Share Transfer Books of the Company will remain closed from September 23, 2022 to September 29, 2022 (both days inclusive) for the purpose of 6th AGM of the Company.

ANNUAL REPORT 2021 - 2022
CHANDNI MACHINES LIMITED

- A brief detail of the director, who is being re-appointed, is annexed hereto as per the requirements of regulation 36 (3) of the SEBI Listing Regulations and as per the provisions of the Act.
- In line with the MCA Circulars, the Notice of the AGM along with the Annual Report 2021-22 are being sent only through electronic mode to those Members whose e-mail addresses are registered with the Company/Depositories/RTA. The Notice convening the 6th AGM and Annual Report 2021-22 has been uploaded on the website of the Company at www.cml.net.in and may also be accessed from the relevant section on the websites of the Stock Exchanges, i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively. The Notice of the AGM is also available on the website of NSDL <https://www.evoting.nsdl.com>
- The voting rights of members shall be in proportion to their shares of the paid-up equity share capital of the Company as on September 22, 2022 being Cut-off Date.
- Since the 6th AGM will be held through VC / OAVM, the Route Map is not annexed in this Notice.
- The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Act, and the Register of Contracts or Arrangements in which the directors are interested, maintained under Section 189 of the Act, will be available electronically for inspection by the members during the AGM. All documents referred to in the Notice will also be available for electronic inspection without any fee by the members from the date of circulation of this Notice up to the date of AGM, i.e. September 29, 2022. Members seeking to inspect such documents can send an email to www.cml.net.in.
- As per Regulations 39 and 40 of the Listing Regulations, as amended, listed companies can effect issuance of duplicate securities certificate; renewal / exchange, endorsement, subdivision/ split, consolidation of securities certificate; transfer, transmission and transposition, as applicable in Dematerialised form only with effect from 24th January, 2022.
- Further, SEBI vide its circular dated 3rd November, 2021, read with clarification dated 14th December, 2021 introduced common and simplified norms for processing investor's service request by Registrar and Transfer Agent(s) (RTAs) and norms for furnishing PAN, KYC details and Nomination. Accordingly, effective 1st January, 2022, the RTA shall not process any service requests or complaints received from the holder(s) / claimant(s), till PAN, KYC and Nomination documents/details are updated. On or after 1st April, 2023, in case of any of the above cited documents/details are not available in the folios, RTA shall be constrained to freeze such folios. The Company has sent individual letters to all the Members holding shares of the Company in physical form for furnishing the aforesaid details. This communication was also intimated to the Stock Exchanges and available on the website of the Company. In view of this requirement and to eliminate all risks associated with physical shares and for ease of portfolio management, Members holding shares in physical form are requested to update their KYC details (through Form ISR-1, Form ISR-2 and Form ISR-3, as applicable) and consider converting their holdings to dematerialized form. Members can download Forms to make their service request with RTA from link <https://www.purvashare.com> or contact the Company's RTA - RTA 022 - 23016761 ('Registrar') at (email of RTA) support@purvashare.com for assistance in this regard
- As per the provisions of the Act and applicable SEBI Circular, Members holding shares in physical form may file nomination in the prescribed Form SH-13 or make changes to their nomination details through Form SH-14 and Form ISR-3. In respect of shares held in dematerialized form, the nomination form may be filed with the respective DPs. The relevant forms are available on the company website at www.cml.net.in
- Members are requested to intimate changes, if any, pertaining to their name, postal address, e-mail address, telephone / mobile numbers, PAN, registration of nomination, Power of Attorney registration, Bank Mandate details, etc. to their DPs in case the shares are held in electronic form and to the Registrar in case the shares are held in physical form, quoting their folio no. Further, Members may note that SEBI has mandated the submission of PAN by every participant in the securities market.

ANNUAL REPORT 2021 - 2022
CHANDNI MACHINES LIMITED

- To prevent fraudulent transactions, Members are advised to exercise due diligence and notify the Company of any change in address or demise of any joint holder / Member as soon as possible. Members are also advised to periodically obtain / request their DP for statement of their shareholding and the same be verified from time to time.
- In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.

CDSL e-Voting System – For Remote e-voting and e-voting during Annual General Meeting (“AGM”):

- As you are aware, in view of the situation arising due to COVID-19 global pandemic, the general meetings of the companies shall be conducted as per the guidelines issued by the Ministry of Corporate Affairs (MCA) vide Circular No. 14/2020 dated April 8, 2020, Circular No.17/2020 dated April 13, 2020 Circular No. 20/2020 dated May 05, 2020 and General Circular No. 02/2022 Dated 05th May, 2022. The forthcoming AGM will thus be held through video conferencing (VC) or other audio-visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM/EGM through VC/OAVM.
- The Members can join the AGM in the VC/OAVM mode 15 minutes before the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to at least 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
- Pursuant to MCA Circular No. 14/2020 dated April 08, 2020, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM through VC/OAVM and cast their votes through e-voting.
- In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at www.cteil.com. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and Metropolitan Stock Exchange of India Limited at www.bseindia.com and www.msei.in respectively. The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM/EGM) i.e. www.evotingindia.com.
- The AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 8, 2020 and MCA Circular No. 17/2020 dated April 13, 2020 MCA Circular No. 20/2020 dated May 05, 2020 and circular no. 02/2021 dated January,13, 2021.

- In continuation of this Ministry's General Circular No. 02/2021, dated January 13, 2021 and after due examination, it has been decided to allow companies whose AGMs were due to be held in the year 2022, or become due in the year 2022, to conduct their AGMs on or before 31.12.2022, in accordance with the requirements provided in paragraphs 3 and 4 of the General Circular No. 20/2020 as per MCA General Circular No. 02/2022 Dated 05th May, 2022.

THE INSTRUCTIONS FOR SHAREHOLDERS FOR REMOTE E-VOTING AND E-VOTING DURING AGM AND JOINING MEETING ARE AS UNDER:

- i) The voting period begins on September 26, 2022 at 09:00 A.M and ends on September 28, 2022 at 05:00 P.M. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of September 2, 2022 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the AGM.
- iii) Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

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

ANNUAL REPORT 2021 - 2022
CHANDNI MACHINES LIMITED

Pursuant to above said SEBI Circular, Login method for e-Voting and joining virtual meetings for Individual shareholders holding securities in Demat mode is given below:

Type of Shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL	<ol style="list-style-type: none"> 1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or visit www.cdslindia.com and click on Login icon and select New System Myeasi. 2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the e-voting is in progress as per the information provided by company. On clicking the e-voting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly. 3) If the user is not registered for Easi/ Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration 4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the e-voting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders Holding securities in demat mode with NSDL	<ol style="list-style-type: none"> 1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsd.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e- Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

ANNUAL REPORT 2021 - 2022
CHANDNI MACHINES LIMITED

	<p>2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select “Register Online for IDeAS “Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</p> <p>3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting</p>
Individual Shareholders (holding securities in demat mode) login through their Depository Participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

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

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

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022-23058738 and 22-23058542-43.

ANNUAL REPORT 2021 - 2022
CHANDNI MACHINES LIMITED

Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30
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v) Login method for e-Voting and joining virtual meeting for **shareholders other than individual shareholders holding in Demat form & physical shareholders.**

1. The shareholders should log on to the e-voting website www.evotingindia.com.
2. Click on “Shareholders” module.
3. Now enter your User ID
 - o For CDSL: 16 digits beneficiary ID,
 - o For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - o Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
4. Next enter the Image Verification as displayed and Click on Login.
5. If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.
6. If you are a first time user follow the steps given below:

	For Shareholders holding shares in Demat Form other than individual and Physical Form
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.
Dividend Bank details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction no. 5.

vi) After entering these details appropriately, click on “SUBMIT” tab.

vii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

ANNUAL REPORT 2021 - 2022
CHANDNI MACHINES LIMITED

viii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

ix) Click on the EVSN for the relevant <Company Name> on which you choose to vote.

x) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

xi) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.

xii) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.

xiii) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.

xiv) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.

xv) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

xvi) Facility for Non – Individual Shareholders and Custodians –Remote Voting

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the “Corporates” module.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; compliance@cteil.com, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM/EGM THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER:

1. The procedure for attending meeting & e-Voting on the day of the AGM is same as the instructions mentioned above for Remote e-voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for Remote e-voting.
3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.
4. Shareholders are encouraged to join the Meeting through Laptops/IPads for better experience.
5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
6. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
7. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast 7days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at (company email id). The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance 7 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at (company email id). These queries will be replied to by the company suitably by email.
8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
9. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the EGM.
10. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES.

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to Company/RTA email id.
2. For Demat shareholders -, Please update your email id & mobile no. with your respective Depository Participant (DP)
3. For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at 022-23058738 and 022-23058542/43.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call on 022- 23058542/43.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE ACT

Item No. 3

This explanatory statement is in terms of Regulation 36(5) of the SEBI Listing Regulations, however, the same is strictly not required as per Section 102 of the Act. M/s. Ambavat Jain & Associates, Chartered Accountants, Mumbai having ICAI Firm Registration No. 109684W were appointed as the Statutory Auditors of the Company at the 1st Annual General Meeting held on September 29, 2017 for a term of 5 years i.e. till conclusion of the ensuing 6th Annual General Meeting (AGM) of the Company. Accordingly, the present term of M/s. Ambavat Jain & Associates as Statutory auditors of the Company shall conclude at the 6th AGM. After taking into account their credentials and also based on the evaluation of the quality of audit work done by the statutory auditors and considering various factors such as industry experience, competency of the audit team, efficiency in conduct of audit, independence, etc., the Board of Directors of the Company has, on the recommendation of the Audit Committee, at its meeting held on May 24, 2022, proposed the re-appointment of M/s. Ambavat Jain & Associates, Chartered Accountants, Mumbai having ICAI Firm Registration No. 109684W as the Statutory Auditors of the Company, for a second term of 5 (five) consecutive years from the conclusion of the ensuing i.e., 6th Annual General Meeting of the Company till the conclusion of 11th Annual General Meeting of the Company to be held in the year 2027, on such remuneration as may be mutually agreed between the Board of Directors and Statutory Auditors. The remuneration of the said auditor shall be determined by the Board of Directors of the Company in consultation with the Auditors from time to time.

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

The Board recommends the resolution set out at Item No. 4 for approval by the members of the Company.

Item No. 4

In order to make optimum use of funds available with the Company and also to achieve long term strategic and business objectives, the Board of Directors of the Company proposes to make use of the same by making investment in other bodies corporate or granting loans, giving guarantee or providing security to other persons or other body corporate as and when required.

Members may note that pursuant to Section 186 of the Companies Act, 2013 ("Act"), the Company can give loan or give any guarantee or provide security in connection with a loan to any other body corporate or person and acquire securities of any other body corporate, in excess of 60% of its paid up share capital, free reserves and securities premium account or 100% of its free reserves and securities premium account, whichever is more, with approval of Members by special resolution passed at the general meeting.

ANNUAL REPORT 2021 - 2022
CHANDNI MACHINES LIMITED

In view of the aforesaid, it is proposed to take approval under Section 186 of the Companies Act, 2013, by way of special resolution, up to a limit of Rs. 6 Crores, as proposed in the Notice. The above proposal is in the interest of the Company and

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

The Board recommends the Resolution as set out at Item No. 4 for approval by the members of the Company.

Item No. 5

Mr. Richie Hiralal Amin (DIN: 02253316), was appointed by the Board as an Additional Director in the capacity of a Non-Executive Independent Director with effect from November 08, 2021 in accordance with Article of the Articles of Association and Sections 149(6), 161 and Schedule - IV of the Companies Act, 2013 (“the Act”)

Pursuant to the provisions of Section 161 of the Act, the term of Mr. Richie Hiralal Amin (DIN: 02253316) as an additional director shall conclude at the ensuing AGM to be held on September 29, 2022. Further, the Company has received requisite notice in writing under Section 100 of the Act along with a deposit of Rs. 1,00,000/- from a member proposing the candidature of Mr. Richie Hiralal Amin (DIN: 02253316) for appointment as an Independent Non-Executive Director not liable to retire by rotation at the ensuing AGM. Mr. Richie Hiralal Amin (DIN: 02253316) has consented to the proposed appointment and has been declared qualified. Mr. Richie Hiralal Amin possesses requisite knowledge, experience and skills as stipulated under the Act, rules & regulations made thereunder.

Based on the recommendation received from the Nomination and Remuneration Committee and in view of his knowledge, skills and invaluable expertise related to the industry of the Company, it is proposed to appoint Mr. Richie Hiralal Amin (DIN: 02253316) as an Independent Non-Executive Director of the Company in terms of Section 149 read with Section 152 of the Companies Act, 2013. In terms of Sections 149 and 152 is not liable to retire by rotation. Mr. Richie Hiralal Amin (DIN: 02253316) of the Companies Act, 2013, Mr. Richie Hiralal Amin (DIN: 02253316) if appointed, will hold office for consecutive term of 5 years commencing from November 08, 2021 till November 07, 2025.

The terms and conditions for the proposed appointment of Mr. Richie Hiralal Amin (DIN: 02253316) as an Independent Non-Executive Director shall be available for inspection by members at the Registered Office of the Company on any working day during working hours between 9:30 A.M. to 6:30 P.M.

Except Mr. Richie Hiralal Amin (DIN: 02253316), none of the Directors, Key Managerial Personnel of the Company and their relatives thereof are interested or concerned financial or otherwise in the proposed resolution.

The Board recommends the Resolution as set out at Item No. 5 for approval by the members of the Company.

DIRECTOR'S REPORT

To
The Members
Chandni Machines Limited,

Your Directors have pleasure in presenting the 6th Annual Report together with Audited Financial Statements for the year ended **31st March, 2022** of **CHANDNI MACHINES LIMITED**. The Financial Results of the Company have been summarized and given below:

1. FINANCIAL SUMMARY /PERFORMANCE OF THE COMPANY :

Particulars	(In Rupees)	
	March 31, 2022	March 31, 2021
Revenue from Operations	1,49,04,55,063	43,15,11,763
Other Income	22,69,160	27,42,429
Total Revenue	1,49,27,24,224	43,42,54,192
Profit before Depreciation, Interest and Tax (PBDIT)	2,37,62,014	26,99,896
Less: Depreciation	24,03,077	19,76,936
Less: Finance Cost	2,00,823	2,24,044
Profit Before Tax	2,11,58,113	4,98,916
Provision for Tax:		
Current Tax	48,48,844	Nil
Deferred tax	6,62,812	1,55,919
Profit/(Loss) After Tax	1,56,46,457	3,42,996
Balance brought forward from previous year	1,51,27,812	1,47,84,816
Balance carried to Balance sheet	3,07,74,269	1,51,27,812

2. REVIEW OF OPERATIONS:

Turnover of the Company has increased to **Rs. 43,42,54,192/-** in the Current Year as compared to **Rs. 1,49,27,24,224/-** Lakhs in the Previous Year.

The Profit before tax has increased to **Rs. 2,11,58,113/-** in the Current Year as compared to **Rs. 4,98,916/-** in the Previous Year.

The Net Profit after tax has increased to **Rs. 1,56,46,457/-** in the Current Year as compared to **Rs. 3,42,996/-** in the Previous Year.

3. DIVIDENDS:

The Board of Directors ("Board") after assessing the performance, capital position, solvency and liquidity levels of the Company and in order to conserve the resources of Company, your Directors do not recommend any dividend.

ANNUAL REPORT 2021 - 2022
CHANDNI MACHINES LIMITED

The Company has formulated a Dividend Distribution Policy which has been approved by the Board. In terms of Regulation 43A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations') the Dividend Distribution Policy is hosted on the website of the Company at www.cml.net.in

4. TRANSFER TO RESERVES:

The Company had profits **Rs. 1,56,46,457/-** as at March 31, 2022. An amount of **Rs. 1,56,46,457/-** is proposed to be retained in the Profit & Loss Account.

5. CHANGE IN NATURE OF BUSINESS, IF ANY:

During the financial year, there has been no change in the business of the Company or in the nature of business carried by the Company during the financial year under review. The Company is exploring the possibility to enter into the technical textile business.

6. MATERIAL CHANGES AND COMMITMENTS:

There are no material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which financial statement relate and the date of the Report.

7. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES:

As on 31st March, 2022 your Company does not have any Subsidiary, Associate or Joint Venture Companies.

8. SIGNIFICANT / MATERIAL ORDERS PASSED BY THE REGULATORS/ COURTS:

There are no significant and material orders passed by the Regulators/ Courts that would impact the going concern status and the Company's operation in future.

9. DETAILS OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

Sr. No.	Name of Director	Designation	Appointment Date	Resignation Date
1.	Mr. Jayesh Ramniklal Mehta	Chairman & Managing Director	12.04.2016	-
2.	Mrs. Amita Jayesh Mehta	Non- Executive Director	12.04.2016	-
3.	Mr. Vasant Gaurishankar Joshi	Non- Executive & Independent Director	20.09.2018	01.11.2021
4.	Mr. Bharat Sugnomal Bhatia	Non- Executive & Independent Director	20.09.2018	-

ANNUAL REPORT 2021 - 2022
CHANDNI MACHINES LIMITED

5.	Mr. Rameshchand Garg	Non- Executive & Independent Director	20.09.2018	-
6.	Mr. Bharat Keshavlal Shah	Director & Chief Financial Officer	07.02.2018	-
7.	Mr. Richie Hiralal Amin	Non- Executive & Independent Director	08.11.2021	-
8.	Mr. Gaurav Darak	Company Secretary and Compliance Officer	05.09.2020	30.11.2021
9.	* Ms. Neelam Devani	Company Secretary and Compliance Officer	01.12.2021	-

As on 31st March, 2022, the following were the Key Managerial Personnel of the Company as per Section 203 of the Companies Act, 2013 and the rules made thereunder:

- Mr. Jayesh Ramniklal Mehta - Chairman & Managing Director
- Mr. Bharat Keshavlal Shah - Director & Chief Financial Officer
- Ms. Neelam Devani - Company Secretary & Compliance Officer

***Ms. Neelam Devani was appointed for the position of Company Secretary and Compliance Officer of the Company with effect from 01st December, 2021.**

In accordance with the provisions of section 152 of the Companies Act, 2013 and the Articles of Association of the company, Mrs. Amita Jayesh Mehta, Director retires by rotation at the ensuing Annual General Meeting and become eligible, offers herself for re-appointment. The Board of Directors recommends her re-appointment which has been annexed to this report as “Annexure – I”.

None of the Directors is disqualified for Appointment/ Re-Appointment under Section - 164 of the Companies Act, 2013. As required by the law, this position is also reflected in the Auditor’s Report.

10. DECLARATION BY INDEPENDENT DIRECTORS:

All Independent Directors have given declaration of compliance of Rule - 6(1) & (2) of Companies (Appointment and Qualifications of Directors) Rules, 2014 as amended along with the declaration that they meet the Criteria of Independence as laid down under Section - 149(6) of the Companies Act, 2013.

The Company convened Independent Director's Separate Meeting in terms of Schedule - IV to the Companies Act, 2013 on 09th February, 2022.

11. MEETINGS OF THE BOARD OF DIRECTORS:

The Board of Directors duly met five (5) times during the financial year from 01st April, 2021 to 31st March, 2022. The dates on which meetings were held are 24th June, 2021, 12th August, 2021, 08th November, 2021, 10th December, 2021 and 09th February, 2022. All the Members were present in the Meeting.

The gap between two Board Meetings didn’t exceed 120 days as per Section - 173 of the Companies Act, 2013 except for the first quarter due to global pandemic.

12. ATTENDANCE OF DIRECTORS:

Attendance of Directors at the Board Meetings held during the financial year ended 31st March, 2021 and at last AGM are as under:

Name of Director	Category	Number of Board Meetings		Attendance at the last AGM
		Held	Attended	Held on 20.09.2021
Mr. Jayesh Ramniklal Mehta	Managing Director	5	5	Yes
Mrs. Amita Jayesh Mehta	Non- Executive Director	5	5	Yes
Mr. Bharat Keshavlal Shah	Chief Financial Officer, Executive Director	5	5	Yes
Mr. Vasant Gaurishankar Joshi*	Non-Executive, Independent	2	2	Yes
Mr. Bharat Sugnomal Bhatia	Non-Executive, Independent	5	5	Yes
Mr. Rameshchand Garg	Non-Executive, Independent	5	5	Yes
Mr. Richie Hiralal Amin**	Non-Executive, Independent	2	2	N. A.***

* Mr. Vasant Gaurishankar Joshi resigns w .e. f 01st November, 2021.

** Mr. Richie Hiralal Amin appointed w.e.f. 08th November, 2021.

***N.A. - Not Applicable

Attendance of Directors at the Committee Meetings held during the financial year ended 31st March, 2022:

Name of Director	Audit Committee Meeting		Nomination & Remuneration Committee Meeting		Stakeholder Relationship Committee	
	Held	Attended	Held	Attended	Held	Attended
Mr. Jayesh Ramniklal Mehta	4	4	2	2	4	4
Mr. Vasant Gaurishankar Joshi*	2	2	N.A***	N.A	N.A	N.A
Mr. Bharat Sugnomal Bhatia	4	4	2	2	4	4
Mr. Rameshchand Garg	4	4	2	2	4	4
Mr. Richie Hiralal Amin**	1	1	1	1	1	1

* Mr. Vasant Gaurishankar Joshi resigns w .e. f 01st November, 2021.

** Mr. Richie Hiralal Amin appointed w.e.f. 08th November, 2021.

***N.A. - Not Applicable

ANNUAL REPORT 2021 - 2022
CHANDNI MACHINES LIMITED

13. COMMITTEES:

Your Company has duly constituted the following mandatory Committees in terms of the provisions of the Companies Act, 2013 read with rules framed thereunder viz.:

● **Audit Committee:**

The Composition of Audit Committee is in alignment with provision of Section -177 of the Companies Act, 2013 read with the rules issued thereunder and Regulation -18 of the SEBI Listing Regulations. The members of the Audit Committee are financially literate and have experience in financial management.

The Composition of Audit Committee is as under:

Name of the Director	Designation	Position on the Committee
Mr. Vasant Gaurishankar Joshi*	Non Executive Independent Director	Chairman
Mr. Bharat Sugnomal Bhatia [#]	Non Executive Independent Director	Member
Mr. Rameshchand Garg	Non Executive Independent Director	Member
Mr. Jayesh Ramniklal Mehta	Managing Director	Member
Mr. Richie Hiralal Amin**	Non Executive Independent Director	Member

* Mr. Vasant Gaurishankar Joshi resigns w .e. f 01st November, 2022.

[#] Mr. Bharat Sugnomal Bhatia became Chairman of ACM w.e.f. 08th November,2022.

** Mr. Richie Hiralal Amin appointed w.e.f. 08th November,2022.

During the year Four (4) meetings of Audit Committee was held on 24th June, 2021, 12th August, 2021, 08th November, 2021 and 09th February, 2022. All the members were present in the Meeting.

The Board accepted the recommendations of the Audit Committee whenever made by the Committee during the year.

● **Nomination and Remuneration Committee:**

The Composition of Nomination & Remuneration Committee is as under:

Name of the Director	Designation	Position on the Committee
Mr. Bharat Sugnomal Bhatia	Non Executive Independent Director	Chairman
Mr. Vasant Gaurishankar Joshi*	Non Executive Independent Director	Member

ANNUAL REPORT 2021 - 2022
CHANDNI MACHINES LIMITED

Mr. Rameshchand Garg	Non Executive Independent Director	Member
Mr. Jayesh Ramniklal Mehta	Managing Director	Member
Mr. Richie Hiralal Amin**	Non Executive Independent Director	Member

* Mr. Vasant Gaurishankar Joshi resign w .e. f 01st November, 2021.

** Mr. Richie Hiralal Amin appointed w.e.f. 08th November, 2021.

During the year Two (2) meeting of Nomination and Remuneration Committee was held on 08th November, 2021 & 10th December, 2021.

The Board accepted the recommendations of the Nomination and Remuneration Committee whenever made by the Committee during the year.

● **Stakeholders' Relationship Committee:**

The Composition of Stakeholder Relationship Committee is as under:

Name of the Director	Designation	Position on the Committee
Mr. Bharat Sugnomal Bhatia	Non Executive Independent Director	Chairman
Mr. Vasant Gaurishankar Joshi*	Non Executive Independent Director	Member
Mr. Rameshchand Garg	Non Executive Independent Director	Member
Mr. Jayesh Ramniklal Mehta	Managing Director	Member
Mr. Richie Hiralal Amin**	Non Executive Independent Director	Member

* Mr. Vasant Gaurishankar Joshi resigns w .e. f 01st November, 2021.

** Mr. Richie Hiralal Amin appointed w.e.f. 08th November, 2021.

During the year Four (4) Meetings of Stakeholder Relationship Committee was held on 24th June, 2021, 12th August, 2021, 08th November, 2021 and 09th February, 2022. All the members were present in the Meeting.

The Board accepted the recommendations of the Stakeholder Relationship Committee whenever made by the Committee during the year.

14. POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION:

The Company has been following a policy with respect to appointment and remuneration of Directors, Key Managerial Personnel and Senior Management Personnel. The appointment of Directors on the Board is subject to the recommendation of the Nomination and Remuneration Committee (NRC). Based on the recommendation of the NRC, the remuneration of Executive Director is fixed in accordance with the provisions of the Company's Act, 2013 which comprises of Basic Salary,

ANNUAL REPORT 2021 - 2022
CHANDNI MACHINES LIMITED

Perquisites, Allowances and Commission. The Remuneration of Non-Executive Directors comprises of sitting fees in accordance with the provisions Companies Act, 2013.

The criteria for appointment of Board of Directors and Remuneration Policy of your Company are placed on the website of the Company <http://www.cml.net>

15. FAMILIARIZATION PROGRAMME:

The details of programs for familiarization of Independent Directors with the Company, their roles, responsibilities, in the Company and related matters are put up on the website of the Company at the link: <http://www.cml.net.in>

16. BOARD EVALUATION:

Pursuant to the provisions of the Companies Act, 2013, the Nomination and Remuneration Committee formulated the criteria for evaluation of the performance of the Board of Directors, its various Committees constituted as per the provisions of the Companies Act, 2013 and Individual Directors. Based on that, the Board of Directors carried out an Annual Evaluation of its own performance and of its various Committees viz. Audit Committee, Nomination and Remuneration Committee, Stakeholder Relationship Committee and expressed their satisfaction with its performance and performance of its Committees. The Board of Directors also evaluated the performance of individual Director on the basis of self-appraisal and expressed their satisfactory performance. The Board of Directors also carried out an annual performance evaluation of its Independent Directors and expressed their satisfaction with their functioning / performance.

17. PARTICULARS OF EMPLOYEES:

The statement of particulars of Appointment and Remuneration of managerial personnel pursuant to Section - 197(12) of the Companies Act, 2013 read with Rule - 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are provided in the “**Annexure – II**”

Pursuant to Rule - 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, none of the employees of the Company was in receipt of the remuneration during the financial year 2021-2022, which in aggregate was in excess of Rs. 1.02 Crores per year or Rs. 8.5 Lakhs per month or in excess of remuneration drawn by the Managing Director or Whole-Time Director or Manager and holds by himself or along with his spouse and dependent children, not less than two percent of the equity shares of the Company.

18. DIRECTORS RESPONSIBILITY STATEMENT:

Pursuant to Section - 134(5) of the Companies Act, 2013 the Directors to the best of their knowledge hereby state and confirm that:

- (a) In the preparation of the Annual Accounts for the financial year ended 31st March, 2022, the applicable accounting standards have been followed and there are no material departures.

ANNUAL REPORT 2021 - 2022
CHANDNI MACHINES LIMITED

- (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 the Company at the 31st March, 2022 and of its profit for the year.
- (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 the 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 such Internal Financial Controls are adequate and were 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.

19. DETAILS IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS:

The Company has a proper and adequate system of Internal Controls. This ensures that all assets are safeguarded and protected against loss from unauthorized use or disposition and those transactions are authorised, recorded and reported correctly. An extensive programme of Internal Audits and Management reviews supplements the process of internal control. Properly documented policies, guidelines and procedures are laid down for this purpose. The Internal Control System has been designed to ensure that the financial and other records are reliable for preparing financial and other statements and for maintaining accountability of assets. The Company has in placed adequate Internal Financial Controls with reference to Financial Statements.

In accordance with Rule - 8(5) (viii) of Companies (Accounts) Rules, 2014, it is hereby confirmed that the Internal Financial Controls are adequate with reference to the Financial Statements.

20. PUBLIC DEPOSITS:

The Company has not accepted any Public Deposits within the meaning of Section - 73 to 76 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014 during the year under review and there are no outstanding deposits which are pending for repayment.

21. LOAN FROM DIRECTOR:

During the year under review, your Company has not received loan of amount from Mr. Jayesh Ramniklal Mehta, Managing Director of the Company along with a declaration in writing to the effect that the amount given by him is not from the funds acquired by him by borrowing or accepting loans from others.

22. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186:

During the year under review, your Company has not given any loans or guarantees or made any investments governed under the provisions of Section - 186 of the Companies Act, 2013.

23. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:

All Related Party Transactions are entered on Arm's Length Basis, in the ordinary course of business and are in compliance with the applicable provisions of the Companies Act, 2013 and the SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015. The disclosure of Related Party Transactions as required under Section - 134(3)(h) of the Companies Act, 2013 in Form AOC-2 is given in "Annexure – III" of this Report.

The details of transactions with Related Parties are also provided in the Company's Financial Statements in accordance with the Accounting Standards.

The policy on Related Party Transactions as approved by the Board of Directors has been uploaded on the Company's website and can be seen at the link: www.cml.net.in

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

Since your Company does not own any manufacturing facility, the particulars relating to conservation of energy and technology absorption stipulated in Section - 134 (3) (m) of the Companies Act, 2013 and Rule - 8 of Companies (Accounts) Rules, 2014 are not applicable.

During the year under review your company has following Foreign Exchange Earnings and Outgo:

Particulars	F.Y. 2021-2022	F.Y. 2020-2021
Foreign Exchange Earnings	NIL	NIL
Foreign Exchange Outgo	1,19,566/-	20,41,873/-

25. RISK MANAGEMENT:

The Company has a Risk Management framework for identification, assessment and mitigation of risks. This framework essentially creates transparency and minimizes the risk and adverse impact on the business objectives and enhances the Company's competitive edge. This frame work consists of various risk models helping in identifying risk, risk trends, exposure and potential influence analysis is separately for various business segments and at various levels of the Company.

Based on the operations of the Company new risks, if any, are identified, appropriate steps are taken to mitigate them. Our internal control encompasses various management system, structures of organisation, standard and code of conduct which all put together help in managing the risks associated with the Company.

26. VIGIL MECHANISM/ WHISTLE BLOWER POLICY:

In pursuant to the provisions of Section - 177 (9) & (10) of the Companies Act, 2013, a Vigil Mechanism for Directors and Employees to report genuine concerns has been established. The Vigil Mechanism / Whistle Blower Policy is available on the website of the Company: <http://cml.net.in>

27. CORPORATE SOCIAL RESPONSIBILITY:

Your Company does not fall in the ambit of limit as specified in Section 135 of the Companies Act, 2013, read with Rule framed there under in respect of Corporate Social Responsibility.

28. STATUTORY AUDITOR AND STATUTORY AUDITOR'S REPORT:

Pursuant to the provisions of Section - 139 of the Companies Act, 2013, read with Companies (Audit and Auditors) Rules, 2014, as amended from time to time, M/s. Ambavat Jain & Associates LLP, Chartered Accountant (Firm Registration No.: 109681W) were appointed as the Statutory Auditors of the Company in the 1st Annual General Meeting of the Company held on 29th September, 2017 for term of five consecutive years to hold office till the conclusion of the 6th Annual General Meeting of the Company.

The Audit Committee and the Board of Directors of the Company ("Board") at its respective meeting held on May 24, 2022 recommended, subject to approval of the members of the Company at the forthcoming 6th Annual General Meeting, the re-appointment of M/s. Ambavat Jain & Associates LLP, Chartered Accountants (Firm Registration Number 109681W) as the Statutory Auditors of the Company for a second term of five (5) years i.e., from conclusion of the 6th Annual General Meeting till the conclusion of 11th Annual General Meeting to be held in the year 2027. The necessary resolution seeking your approval for their re-appointment as statutory auditors is included in the notice of the ensuing annual general meeting.

The Auditors' Report on Standalone Financial Statements for the financial year 2021-2022, issued by M/s. Ambavat Jain & Associates LLP, Chartered Accountants, does not contain any qualification, observation, disclaimer, reservation or adverse remark.

During the year under review, no instances of fraud were reported by the Statutory Auditors of the Company as per Section 142(12) of the Companies Act, 2013.

29. SECRETARIAL AUDITOR AND SECRETARIAL AUDIT REPORT:

Pursuant to the provisions of Section - 204 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 the Company appointed **M/s. N L Bhatia & Associates, Practicing Company Secretaries** to conduct the Secretarial Audit of the Company for the financial year **2021-2022**. The Report is attached herewith as "**Annexure – IV**" to the Board's Report.

There are no qualifications, reservations, adverse remark or disclaimer in the Secretarial Audit Report.

ANNUAL REPORT 2021 - 2022
CHANDNI MACHINES LIMITED

During the year under review, no instances of fraud were reported by the Secretarial Auditors of the Company.

30. SECRETARIAL STANDARDS ISSUED BY THE INSTITUTE OF COMPANY SECRETARIES OF INDIA (ICSI):

Your Directors state that the applicable Secretarial Standards have been followed during the financial year 2021-2022.

31. ANNUAL RETURN:

The Annual Return for F.Y. 2021-2022 is available on the website of the Company at www.cml.net.in

32. MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

Management Discussion and Analysis Report for the financial year under review, as stipulated under Regulation - 34 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 is presented in a separate section forming part of this Annual Report as “Annexure – V”.

33. CODE OF CONDUCT FOR PREVENTION OF INSIDER TRADING IN SECURITIES:

During the year, Company has amended the Code of Conduct for Prevention of Insider Trading in Securities (“Code”) in accordance with SEBI (Prohibition of Insider Trading) Amendment Regulations, 2018, which is effective from 01st April, 2019. The amended Code is uploaded on the website of the Company. The objective of the Code is to protect the interest of shareholders at large, to prevent misuse of any Unpublished Price Sensitive Information (UPSI) and to prevent any insider trading activity by dealing in shares of the Company by its Directors, Designated Persons and Employees.

34. CORPORATE GOVERNANCE:

Pursuant to the Regulation - 15(2) of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, the compliance with the Corporate Governance provisions **shall not apply to listed entities having paid up equity share capital not exceeding rupees ten crore and net worth not exceeding rupees twenty five crore, as on the last day of the previous financial year.**

35. DISCLOSURE IN RELATION TO THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013:

The Company has in place Anti Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. The Company has provided a safe and dignified work environment for employee which is free of discrimination. The objective of this Policy is to provide Protection against Sexual Harassment of Women at Workplace and for Redressal of any such complaints of harassment.

**ANNUAL REPORT 2021 - 2022
CHANDNI MACHINES LIMITED**

Pursuant to requirements of Section - 22 of Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 read with Rules thereunder, it is hereby declared that the Company has not received any complaint of sexual harassment during the year under review.

36. INSIDER TRADING CODE:

Pursuant to the provisions of SEBI (Prohibition of Insider Trading) Regulations, 2015 (as amended from time to time), the Company has formulated a Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information ('Fair Disclosure Code') which are in force. The Fair Disclosure Code is available on the website of the Company at www.cml.net.in

37. LISTING WITH STOCK EXCHANGES:

The Company confirms that it has paid Annual Listing Fees for the year 2022-2023 to the Stock Exchanges i.e. The BSE Limited where the Company's shares are listed.

38. CAUTIONARY STATEMENT:

Statements in Annual Report, including those which relate to Management Discussion and Analysis, describing the Company's objectives, projections, estimates and expectations, may constitute 'forward looking statements' within the meaning of applicable Laws and Regulations. Although the expectations are based on reasonable assumptions, the actual results might differ.

39. ACKNOWLEDGEMENT:

Your Directors would like to express their appreciation for the assistance and co-operation received from the Company's Customers, Vendors, Bankers, Auditors, Investors, Government Authorities and Stock Exchange during the year under review. Your Directors place on record their appreciation of the contributions made by employee at all levels. Your Company's consistent growth was made possible by their hard work, solidarity, co-operation and support.

For and on behalf of Board of Directors

**Date: 13th August, 2022
Place: Mumbai**

**Sd/-
Jayesh Ramniklal Mehta
Managing Director
DIN: 00193029**

Place: Mumbai

Details of Directors seeking re-appointment at the Annual General Meeting (Pursuant to Regulation - 36(3) of the Listing Regulations) and SS-2 Secretarial Standard on General Meetings seeking re-appointment at ensuing 6th Annual General Meeting.

Name of Director	Mrs. Amita Jayesh Mehta
Date of Birth	01/11/1963
Qualification	Commerce Graduate
Nationality	Indian
Date of First Appointment	17/06/1986
Designation	Non-Executive Director
Director Identification Number	00193075
Brief Profile including expertise in Specific Functional Area.	Mrs. Amita Jayesh Mehta deals with the sourcing of Materials. She is also active in Corporate governance issues.
No. of Board Meetings attended during the Financial Year 2021-2022.	Mrs. Mehta attended all the 7 Board Meetings conducted during the year.
Directorships in other Listed Companies	Chandni Machines Limited
Membership /Chairmanship of Committees of other Board as on 31st March, 2022.	Nil
Total shares held by her in the Company with other Directors	27, 59, 626 (17.10%) Equity Shares of Rs. 10/- each. Mrs. Amita Jayesh Mehta is the spouse of Mr. Jayesh Ramniklal Mehta.

**For and on behalf of
Chandni Machines Limited**

**Sd/-
Jayesh Ramniklal Mehta
Managing Director
DIN: 00193029**

**Date: August 13, 2022
Place: Mumbai**

PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

Disclosures in terms of Sub-Section 12 of Section - 197 of the Companies Act, 2013 read with Rule - 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 for the Financial Year ended 31st March, 2022.

S.No.	Requirement	Disclosure	
		Name of Director	Ratio
1.	The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year.	Mr. Jayesh Ramniklal Mehta	2.40:1
		Mrs. Amita Jayesh Mehta	0.09:1
		Mr. Vasant Gaurishankar Joshi (Resigned w.e.f. 1 st November, 2021)	0.09:1
		Mr. Bharat Sugnomal Bhatia	0.18:1
		Mr. Rameshchand Garg	0.09:1
		Mr. Bharat Shah	0.09:1
		Mr. Richie Amin (Appointed w.e.f. 12 th November, 2021 & Resigned w.e.f. 19 th January, 2022)	0.09:1
2.	The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer and Company Secretary in the financial year.	Name of Director/ CEO/CFO/CS	Percentage increase in their remuneration during the Financial Year ended 2022
		Mr. Jayesh R Mehta	NIL
		Mrs. Amita Jayesh Mehta	-25%
		Mr. Vasant Gaurishankar Joshi (Resigned w.e.f. 1 st November, 2021)	-125%
		Mr. Bharat Sugnomal Bhatia	-13%
		Mr. Rameshchand Garg	-25%
		Mr. Bharat Shah	-25%
		Mr. Richie Amin (Appointed w.e.f. 12 th November, 2021)	100%
		Mr. Gaurav Darak (Resigned w.e.f. 30 th November, 2021)	7.54%
		Ms. Neelam Devani (Appointed w.e.f. 10 th December, 2021)	100%
3.	The percentage increase in the median remuneration of	Not Applicable	

ANNUAL REPORT 2021 - 2022
CHANDNI MACHINES LIMITED

	employees in the Financial Year	
4.	Number of permanent employees on the rolls of Company at the end of Financial Year	07 employees
5.	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last Financial Year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration.	Not Applicable
6.	Affirmation that the remuneration is as per the Remuneration Policy of the Company.	It is affirmed that the remuneration paid is as per the Remuneration Policy of the Company

For and on behalf of
Chandni Machines Limited

Sd/-
Jayesh Ramniklal Mehta
Managing Director
DIN: 00193029

Date: August 13, 2022
Place: Mumbai

Form No. AOC-2

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

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

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

There were no contracts or arrangements, or transactions entered into during the year ended 31st March, 2022, which were not at arm's length basis.

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

Name of the Related parties	Nature of contracts / arrangements / transactions	Duration of the contracts / arrangements / transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Amount paid as advances, if any
Candour Tectex Limited	Sale of Goods	01-04-2021 to 31-03-2022	4,34,373	N.A.
	Rent/Compensation Received	01-04-2021 to 31-03-2022	5,94,000	
	Rent/Compensation Paid	01-04-2021 to 31-03-2022	9,24,000	
Mr. Jayesh Ramniklal Mehta	Remuneration paid to Managing Director	01-04-2021 to 31-03-2022	5,40,000	
Mr. Gourav Darak	Salary & Bonus	01-04-2021 to 30-11-2021	1,36,000	
Ms. Neelam Devani	Salary & Bonus	10-12-2021 to 31-03-2022	60,000	

**For and on behalf of
Chandni Machines Limited**

**Sd/-
Jayesh Ramniklal Mehta
Managing Director
DIN: 00193029**

**Date: August 13, 2022
Place: Mumbai**

To,
The Members,
Chandni Machines Limited

Our Report of even date is to be read along with this letter:

- (1) Maintenance of Secretarial Record is the responsibility of the Management of the Company. Our responsibility is to express an opinion on these Secretarial Records based on our Audit.
- (2) We have followed the Audit Practices and Processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial Records. The verification was done on Test basis to ensure that correct facts are reflected in Secretarial Records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
- (3) We have not verified the correctness and appropriateness of Financial Records and Books of Accounts of the Company.
- (4) Wherever required we have obtained the Management Representation about the Compliance of Laws, Rules and Regulations and happening of events etc.
- (5) The compliance of the provisions of Corporate and Other Applicable Laws, Rules, Regulations, Standard is the responsibility of Management. Our examination was limited to the verification of procedures on test basis.
- (6) The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor the efficacy or effectiveness with which the Management has conducted the affairs of the Company.

**FOR M/S. N.L. BHATIA & ASSOCIATES
PRACTICING COMPANY SECRETARIES
UIN: P1996MH055800
UDIN: A065355D000794699**

**MITRA RAMESH RATNANI
PARTNER
ACS: 65355
CP. NO.: 25354
PR NO.: 700/2020.**

**DATE: AUGUST 13, 2022.
PLACE: MUMBAI.**

FORM NO. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED MARCH 31, 2021
[Pursuant to Section - 204(1) of the Companies Act, 2013 and Rule No. - 9 of the Companies
(Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
Chandni Machines Limited

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and adherence to good corporate practices adopted by **Chandni Machines Limited having Corporate Identification Number (CIN) L74999MH2016PLC279940 (hereinafter called “the Company”)**. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the Corporate Conducts/Statutory Compliances and expressing our opinion thereon.

Based on our verification of the Company’s books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of the Secretarial Audit, we hereby report that in our Opinion, the Company has, during the Audit period covering the **Financial Year ended on March 31, 2022** complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the Books, Papers, Minute Books, Forms and Returns filed and other records maintained by the Company for the **Financial Year ended on March 31, 2022** according to the provisions of:

- (i) The Companies Act, 2013 (“**the Act**”) and the Rules made thereunder including statutory amendments made thereto and modifications thereof for the time being in force.
- (ii) The Securities Contracts (Regulation) Act, 1956 (“**SCRA**”) and the Rules made thereunder.
- (iii) The Depositories Act, 1996 and the Regulation and Bye-Laws framed thereunder.
- (iv) Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings to the extent applicable.
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (“**SEBI Act**”) :-
 - a. Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time.
 - b. Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 as amended from time to time.
 - c. Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 as amended from time to time.
 - d. Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996/Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 as amended from time to time.

ANNUAL REPORT 2021 - 2022
CHANDNI MACHINES LIMITED

- e. Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993.
 - f. Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 - **Not Applicable during the Financial Year.**
 - g. Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013 – **Not Applicable during the Financial Year.**
 - h. Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 – **Not Applicable during the Financial Year.**
 - i. Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 - **Not Applicable during the Financial Year.**
 - j. Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 - **Not Applicable during the Financial Year;** and
 - k. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 - **Not Applicable during the Financial Year.**
- (vi) Other Applicable Laws as per **Annexure-A.**

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

- (i) Secretarial Standards issued by the Institute of Company Secretaries of India (ICSI);
- (ii) Circulars / Notifications issued by Ministry of Corporate Affairs (MCA) for holding Meetings through Video Conferencing (VC) / Other Audio-Visual Means (OAVM).

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

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

During the period under review, the following Changes took place in the Board of Directors & Key Managerial Personnel of the Company:

- (a) **Mr. Vasant Gaurishankar Joshi (DIN No.:00193105) ceased to be a Non - Executive Independent Director of the Company w.e.f. November 01, 2021.**
- (b) **Mr. Richie Amin (DIN No.: 02253316) appointed as an Additional Non - Executive Independent Director of the Company w.e.f. November 08, 2021.**
- (c) **Cessation of Mr. Gaurav Darak as the Company Secretary & Compliance Officer of the Company w.e.f. November 30, 2021.**
- (d) **Appointment of Ms. Neelam Devani as the Company Secretary & Compliance Officer of the Company w.e.f. December 01, 2021.**

Adequate notice was given to all the Directors to schedule the Board and Committee Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists

ANNUAL REPORT 2021 - 2022
CHANDNI MACHINES LIMITED

for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the Meeting.

All the Decisions at the Board Meetings and Committee Meetings were passed unanimously and with requisite majority at General Meetings.

We further report that, there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable Laws, Rules, Regulations and Guidelines.

We further report that, the shareholders of the Company at the Annual General Meeting held on September 20, 2021 had approved limits of Rs. 3,00,00,000/- in respect of giving loan, or making investment or giving guarantee or providing security in connection with loan to another company or body corporate or person in accordance with the provisions of Section 186 of the Companies Act, 2013.

FOR M/S. N.L. BHATIA & ASSOCIATES
PRACTICING COMPANY
SECRETARIES
UIN: P1996MH055800
UDIN: A065355D000794699

Sd/-
MITRA RAMESH RATNANI
PARTNER
ACS: 65355
CP. NO.: 25354
PR NO.: 700/2020.

DATE: AUGUST 13, 2022.
PLACE: MUMBAI.

LIST OF APPLICABLE LAWS

1. Tax Laws:
 - GST Act, 2017.
 - Income Tax Act, 1961.
2. Employee Laws:
 - Payment of Gratuity Act, 1972 and Payment of Gratuity (Central) Rules, 1972.
 - The Payment of Bonus Act, 1965 and Payment of Bonus Rules, 1975.
 - The Payment of Wages Act, 1936.
 - The Minimum Wages Act 1948.
 - The Employees' Provident Fund and Miscellaneous Provisions Act, 1952, and Scheme framed thereunder.
 - The Employees' State Insurance Act 1948.
 - The Maternity Benefit Act, 1961.
 - The Contract Labour (Abolition and Regulation) Act, 1970 & Rules.
 - Equal Remuneration Act, 1976.
 - Workmen's Compensation Act, 1923.
 - Employment Standing Orders Act, 1946.
 - Child Labour (Prohibition and Regulation) Act, 1986.
 - Factories Act, 1948 and rules made thereunder
 - Industrial Disputes Act, 1947
 - The Employment Exchanges (Compulsory Notification of Vacancies) Act, 1959.
 - The Apprentices Act, 1961 and Apprenticeship Rules, 1991 under the above Rules.
 - Labour Welfare Fund Act.
3. Environment (Protection) Act, 1986
4. Water (Prevention & Control of Pollution) Act, 1974
5. Air (Prevention & Control of Pollution) Act, 1981
6. The Standards of Weight & Measures Act, 1976
7. Water (Prevention and Control of Pollution) Cess Rules, 1977 & 2003
8. The Hazardous Wastes (Management and Handling) Rules, 1989 (as amended, May, 2003) Rules, 2008
9. Indian Stamp Act, 1899 and the State Stamp Acts.
10. The Labour Welfare Fund, Act, 1953.
11. Indian Contract Act, 1872.
12. Negotiable Instruments Act, 1881.
13. Information Technology Act, 2000.
14. Whistle Blowers Protection Act, 2011
15. Registration Act, 1908.
16. Limitation Act, 1963.
17. The Shops and Establishment Act.
18. Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

Note: This is an indicative list and not an exhaustive list.

MANAGEMENT DISCUSSION AND ANALYSIS

INDUSTRY STRUCTURE AND DEVELOPMENTS

The global injection molding machine market size is estimated to be USD 10.3 billion in 2020 and projected to reach USD 12.3 billion by 2025, at a CAGR of 3.6%. The market is mainly driven by the rising demand for injection molding machines in end-use industries such as automotive, consumer goods, packaging, healthcare, electrical & electronics, and others. Factors such as growing demand from the healthcare industry, rapid industrialization in growing economies like China, India & Thailand, and increasing demand for plastic molds in electric vehicles will drive the injection molding machine market. APAC is the key market for injection molding machines, globally, followed by Europe and North America, in terms of volume and value.

Impact of COVID-19 on Injection Molding Machine Market

Asia Pacific is the largest market for injection molding machine market. The injection molding machine has been adversely affected during COVID-19 which has, opened up avenues of opportunities for injection molding machine market. Recently, there has been a rise in demand for injection molding machines from the makeshift hospitals and healthcare institutes all around the world for manufacturing various medical equipment. The outbreak of coronavirus across the globe has highlighted the healthcare industry. Due to an explosive surge in the number of Covid-19 cases, the demand for medical equipment like syringes, air systems, and other medical instruments increased exponentially. Countries such as India and China became the hub for manufacturing and meeting the demand for all these equipment across the globe.

Driver: Rising awareness about energy saving

There is growing awareness regarding energy saving worldwide. This is leading to increasing demand for all-electric injection molding machines. All-electric is the fastest-growing type of injection molding machine. The main reasons are its various advantages such as energy savings, increased precision and re-usability, low maintenance without the requirement of oil for cleaning, and high speed. All-electric injection molding machines outperform hydraulic machines in terms of efficiency, reliability, cost savings, cycle-time savings, and re-usability. They save up to 70% of energy as compared to conventional hydraulic machines. They operate with digital control systems. As a result, various components of all-electric injection molding machines are mechanically driven. The operating cost is significantly low as they require less power. There is no chance of fluid leakage or misting in all-electric injection molding machines, which reduces the possibility of material and surface contamination.

Restraint: High initial and maintenance costs of machines

All-electric injection molding machine has production efficiency, short injection times due to dynamic servo-motors, greater repeatability, reduced noise, and best acceleration performance. Due to the high technology of all-electric machines, the investment costs are high. Another disadvantage is the extraordinary maintenance in case of waste. In case of motor failure, the entire system must be changed, which entails significantly high maintenance costs.

Opportunity: Demand for large-tonnage injection molding machine

According to a report, there is a growing demand for large tonnage injection molding machines which are used for making large molded parts for automotive, appliances, and industrial applications.

Earlier, due to plant infrastructure expenses, the demand for injection molding machines was not beyond the 400 tons range with 500 presses being the maximum limit. Over the years, the demand has changed. There is a great demand for large parts. The ability of machinery manufacturers to build a large energy-efficient machine that offers fast cycle time has increased. According to the Plastics Industry Association, the shipment of large machines has increased more than small machines. Large injection molding machines give companies good business opportunities in various markets, including sports, agriculture, and automotive.

Challenge: High heating and hydraulic pressure

High heating and hydraulic pressure of injection molding machines are the major challenges for manufacturers. Injection molding machines work by heating plastic pellets into molten material, injecting the molten plastic into a mold, and then cooling the product. The heating issue takes place when the mold is sealed improperly. As a result, there is improper venting in the injection unit of the machine.

“Hydraulic injection molding machine were the most extensively consumed machine type in the global injection molding machine market in 2019”

In recent times, hydraulic injection molding machines are being driven by servo motor technology. The use of servo-driven hydraulic pumps helps in saving energy up to 35% as compared to conventional drives. They are also more economical than other types of injection molding machines. Hydraulic injection molding machines are often considered to be more effective where greater clamping force or high linear speeds are required. According to The Rodon Group, hydraulic injection molding machines are able to control clamping force up to and exceeding 8,000 tons that can create parts weighing more than 50 pounds.

“Packaging is projected to be the second fastest growing end-use industry in injection molding machine market between 2020 and 2025.”

Packaging is an indispensable process for preserving and transporting goods. It caters to various sectors such as retail, institutional, and industrial. The packaging industry includes food, pharmaceuticals, consumer goods, and industrial applications. Changing consumer lifestyles and rising disposable income have increased the demand for packaged food, thus increasing the need for injection molded plastics in the packaging application.

201–500 Ton-Force were the most extensively consumed clamping force in the global injection molding machine market in 2019

The clamping force of 201–500 ton-force is usually applied in medium-sized injection molding machines. Hydraulic, all-electric, and hybrid are the most common machine types available in 201–500 ton-force. These machines find their applications in areas such as automotive, packaging, and consumer goods industries, where relatively medium-sized molded parts are required.

“Rubber is expected to be the second largest injection molding machine market during the forecast period, in terms of value and volume.”

Injection molding machines are often used to manufacture rubber products in a wide range of shapes and sizes. In the rubber injection molding process, uncured rubber or elastomers are extruded into the machine using a screw feeder system. Rubber molding produces molded rubber parts by pressing a block of rubber into a rubber molding metal cavity. Rubber injection molding gives the ability to make custom shapes with little flash or rubber waste. A wide variety of quality materials is used to manufacture rubber products. Some of the commonly used materials in the rubber injection molding process are silicone, Ethylene Propylene Diene Monomer (EPDM), fluorocarbon elastomer, and fluoro-silicone.

“Asia Pacific is the leading injection molding machine market, in terms of value and volume, in 2019”

The demand for injection molding machines is dependent on the high economic growth of the region due to the rapid economic expansion. According to the International Monetary Fund (IMF), China and India are among the fastest-growing economies globally. In addition, India is expected to outpace China with the highest growth rate, thus driving the global economy. Such economic developments in these countries will lead to the growth of the manufacturing sector. Additionally, the rapidly growing end-use industries, competitive manufacturing costs, and high economic growth rate are the favorable factors for the growth of the injection molding machine market in this region. These factors are also attracting the market players to expand their businesses in Asia Pacific.

INDIAN MARKET

The India injection molding machine market size was estimated at USD 0.73 billion in 2021 and is anticipated to expand at a compounded annual growth rate (CAGR) of 6.1% from 2022 to 2030. The rising adoption of personal mobility, and increased penetration of alternative-engine powertrain vehicles, is likely to drive demand for electric vehicles in the automotive sector and thus drive the industry expansion for injection molding machine. The COVID-19 pandemic outbreak resulted in the implementation of a global lockdown, which caused a delay in the development and manufacture of injection molding equipment. During the initial period of the lockdown, there has been a dwindled demand for machines from the automotive, packaging, and logistics industries. This has sequentially hampered the Indian injection molding machines market.

COVID-19's impact includes a scarcity of subcontractors and materials, supply chain interruptions, and contract terminations to limit costs. The India Injection Molding Machine market saw negative growth during the pandemic period, but it is likely to recover traction quickly with the revival of economic activity. Even before the COVID-19 pandemic, geopolitical dynamics led to the regional and local procurement of raw materials, resulting in short manufacturing runs and highly diverse product lines.

Growing adoption of automation and increasing demand for automobiles and consumer goods are expected to fuel the growth of the injection molding machine market. Increased demand from households, changing lifestyles of individuals, greater access to finance, and increased disposable incomes all contribute to the growth of the Indian consumer electronics industry, which are expected to drive the growth of this industry over the forecast period.

OPPORTUNITIES

The plastics segment led the market and accounted for 74.8% of the global revenue share in 2021 owing to rapid growth in the consumption of plastic parts in the automotive industry, due to their lightweight and cost, are expected to drive the industry growth of the plastic segment over the forecast period. Plastic molded parts provide a solution for high-volume and cost-efficiency. The recent trend of light-weighting in the automotive industry to enhance fuel efficiency has resulted in increased use of plastic molded parts, coupled with rising demand for plastic molded components in medical device manufacturing.

The metal segment is estimated to witness a CAGR of 5.6% from 2022 to 2030, in terms of revenue on account of the factors such as high resistance to corrosion, and the ability to manufacture parts with complex geometries have resulted in increased demand for metal molded products. The rising costs of recyclability of plastics have led manufacturers to look into substitutes such as bioplastics that are environmentally friendly and have similar properties to plastics; this has led to an increase in demand for this product.

ANNUAL REPORT 2021 - 2022

CHANDNI MACHINES LIMITED

Factors such as the increasing globalization and the demand for reliable and low-cost products are expected to boost this machine market revenue in the forecasted period. Furthermore, the adoption of advanced automated machines with low-cost offerings is the major trend in this market.

RISKS AND CONCERN

The coronavirus pandemic has wreaked havoc in many industries around the world. Immediate shutdowns of manufacturing plants have brought the economies of both developed and developing countries to a standstill. Moreover, the reduction in the labour workforce in the manufacturing sector has led to a decrease in the production rates, which is impacting the market growth.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

Organization implements to provide direction, increase efficiency and strengthen adherence to policies. Employees discharge their assigned responsibilities to increase efficiency in the execution of work. Financial Statement provide correct and reliable information maintaining proper accounts.

DISCUSSION ON FINANCIAL PERFORMANCE

1. **Share Capital:** As on March 31, 2022, the paid-up share capital of the Company stood at Rs. 3,22,74,330/- consisting of 32,27,433 equity shares of Rs. 10/- each.
2. **Reserves and Surplus:** As on March 31,2022, the total reserves and surplus of the Company stood at Rs. 3,48,77,210/- as compared to Rs. 1,92,30,753/- as on March 31, 2021.
3. **Results:** The profit before tax increased to Rs. 2,11,58,113/- in the year 2021-2022 as compared to Rs. 4,98,916/- in the year 2020-2021.

The Profit after tax increased to Rs. 1,56,46,457 /- in the year 2021-2022 as compared to Rs. 3,42,996/- in the year 2020 – 2021.

HUMAN RESOURCE DEVELOPMENT:

Human Resources Development, in all its aspects like training in safety and social values is under constant focus of the management. Relations between the management & the employees at all levels remained healthy & cordial throughout the year. The Management and the employees are dedicated to achieve the corporate objectives and the targets set before the company.

KEY FINANCIAL RATIO

PARTICULARS	2021-2022	2020-2021
Debtor's turnover ratio	13.37	2.71
Current Ratio	1.44	1.06
Debt-Equity Ratio	0.00	0.0058
Operating Profit (%)	3.57%	2.83%
Net Profit (%)	1.05%	0.08%
Return on Net Worth	31.51%	1.41%

ANNUAL REPORT 2021 - 2022
CHANDNI MACHINES LIMITED

CAUTIONARY STATEMENT:

Some of the statements made above are stated as required by applicable regulations. While they are based on the data available and the bonafide judgment of the management, the actual results may be affected by various factors, which may be different from what your management envisages in terms of future performance & outlook.

INDEPENDENT AUDITOR'S REPORT

To
The Members
Chandni Machines Limited
(Formerly known as Chandni Machines Private Limited)

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of Chandni Machines Limited ("the Company"), which comprise the Balance Sheet as at 31st March 2022, and the Statement of Profit and Loss (including other comprehensive income), Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2022, and its profit (including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

Key audit matters ('KAM') are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Allowance for credit losses in respect of Trade receivables -	
The Company determines the allowance for credit losses in respect of trade receivables based on historical loss experience adjusted to reflect current and estimated future economic conditions. The Company considered current and anticipated future economic conditions relating to industries it deals with. In calculating expected credit losses in respect of these trade receivables, the Company also considered the relevant credit information for its customers to estimate the probability of default in future and has taken into account estimates of	Our audit procedures related to the allowance for credit losses for the trade receivables included the following, among others: <ul style="list-style-type: none">• We tested the effectiveness of controls over the (1) development of the methodology for the allowance for credit losses, including consideration of the current and estimated future economic conditions, (2) completeness and accuracy of information used in the estimation of probability of default, and (3) computation of the allowance for credit losses.

<p>possible effect from the pandemic relating to COVID-19.</p> <p>We identified allowance for credit losses as a key audit matter because of the significant judgement involved in calculating the expected credit losses. This required a high degree of auditor judgment and an increased extent of effort when performing audit procedures to evaluate the reasonableness of management's estimate of the expected credit losses.</p>	<ul style="list-style-type: none"> • For a sample of trade receivables, we tested the input data such as credit reports and other credit related information used in estimating the probability of default by comparing them to external and internal sources of information. • We evaluated the incorporation of the applicable assumptions into the estimate of expected credit losses and tested the mathematical accuracy and computation of the allowances by using the same input data used by the Company. • We evaluated the qualitative adjustment to the historical loss rates, including assessing the basis for the adjustments and the reasonableness of the significant assumptions.
<p>Measurement and valuation of inventory</p>	
<p>As at 31st March 2022, the Company has inventory amounting to Rs.3,02,61,401/-. (Refer Note no.8) This was determined a key audit matter, as the measurement and valuation of the inventory at the year-end involves significant judgement and estimate.</p> <p>The Company uses internal and external experts, to perform volumetric assessments, on basis of which the quantity for these inventories is estimated.</p>	<p>Our audit procedures relating to the measurement of inventory included the following:</p> <p>(a) Understanding and evaluating the design and operating effectiveness of controls over physical count and measurement of such inventory; (b) Evaluation of competency and capabilities of management's experts; (c) Observing, physically or through remote access, inventory measurement and count procedures carried out by management, to ensure its appropriateness and completeness; (d) Obtaining and inspecting, inventory measurement and physical count results for such inventories, including assessing and evaluating the results of analysis performed by management in respect of differences between book and physical quantities.</p> <p>Based on the above procedures performed, we did not identify any material exceptions in the measurement of inventory quantities.</p>

Emphasis of Matter paragraph

We draw attention to note no. 46 forming part of the standalone financial statements, which describes the management's assessment of uncertainties related to COVID-19 and its consequential financial impact on its assets as at 31st March 2022 and operations of the Company. Our opinion is not modified in respect of this matter.

Information Other than the Standalone 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 auditors' report thereon. The Company's annual report is expected to be made available to us after the date of this auditor's report.

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other Information identified above when it becomes available and, in doing so, consider whether the other

ANNUAL REPORT 2021 - 2022 CHANDNI MACHINES LIMITED

information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the Company's annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take necessary actions, as applicable under the relevant laws and regulations.

Management's Responsibility for the Standalone Financial Statements

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

In preparing the standalone financial statements, management 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 is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

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

ANNUAL REPORT 2021 - 2022

CHANDNI MACHINES LIMITED

- 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 standalone 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 auditors' 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 standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors' Report) Order, 2020 ("the Order") issued by the Central Government of India 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.

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

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

(b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

(c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.

(d) In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.

(e) On the basis of the written representations received from the directors as on 31st March 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2022 from being appointed as a director in terms of Section 164(2) of the Act.

ANNUAL REPORT 2021 - 2022
CHANDNI MACHINES LIMITED

(f) With respect to the adequacy of the internal financial controls with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

(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, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements as mentioned in Note no. 45;

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and

iii. There has been no amount required to be transferred to the Investor Education and Protection Fund by the Company.

(C) With respect to the matter to be included in the Auditors' Report under section 197(16) as amended:

According to the information and explanations given to us, the Company has paid/provided for managerial remuneration in accordance with the provisions of section 197 read with Schedule V to the Act.

For Ambavat Jain & Associates LLP
Chartered Accountants
ICAI Firm Registration No: 109681W

Ashish J Jain
Partner
Membership No.111829

Place: Mumbai
Date: 30 May 2022

ICAI UDIN No: 22111829AKWUKW1984

CHANDNI MACHINES LIMITED

(Formerly known as Chandni Machines Private Limited)

Annexure – A to the Independent Auditors' Report

(Referred to in paragraph 1 under 'Report on other Legal & Regulatory Requirements' Section of our report of even date)

[i] (a) (A) The company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant & Equipment.

(B) The company does not have Intangible assets.

(b) These Property, Plant & Equipments have been physically verified by the management at reasonable intervals during the year and no material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of all the immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the financial statements are held in the name of the Company.

(d) According to the information and explanations given to us, the company has not revalued its Property, Plant and Equipment (including Right of Use assets) during the year.

(e) According to the information and explanations given to us, no proceedings have been 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 informed to us, the inventory in the company's possession has been physically verified at reasonable intervals during the year by the management. Considering the size of the company and nature of its business, in our opinion, the coverage and procedure of such verification by the management is appropriate. As informed to us, no discrepancies of 10% or more in the aggregate were noticed on verification between physical stock and book records were not material.

(b) According to the information and explanations given to us, the company has not been sanctioned any working capital limits from banks or financial institutions on the basis of security of current assets during the year.

[iii] According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made investments in or provided any guarantee or security or granted any advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year. The Company has granted interest free loans to its employees and the details of such loans are stated in sub-clause (a) below.

(a) The company has not provided advances in the nature of loans or stood guarantee or provided security to any other entity. The Company has provided interest free loans to its employees.

(A) According to the information and explanations given to us, the company does not have any subsidiaries, joint venture and associates at any time during the year and hence, this sub-clause is not applicable.

(B) According to the information and explanations given to us, the company has granted loans to party other than subsidiaries, joint venture and associates as below:

ANNUAL REPORT 2021 - 2022
CHANDNI MACHINES LIMITED

Particulars	Amount (in Rs.)
Aggregate amount during the year – Others	2,25,000/-
Balance outstanding as at balance sheet date – Others	1,65,990/-

(b) According to the information and explanations given to us, in our opinion, the terms and conditions of the loans given to the employees are prima facie not prejudicial to the company's interest.

(c) According to the information and explanations given to us, in case of interest free loans given to the employees of the Company, the repayment of principal amount has been stipulated and the repayments or receipts have been regular.

(d) According to the information and explanations given to us, there is no overdue amount for more than ninety days in respect of loans given.

(e) According to the information and explanations given to us, there is no loan granted falling due during the year and hence, this sub-clause is not applicable.

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

[iv] As informed to us, the Company has neither given any loans nor made any investment or provided guarantee or security as specified under section 185 and 186 of the Act during the year. Accordingly, clause 3(iv) of the Order is not applicable.

[v] According to the information and explanations given to us, the company has not accepted any deposits or any amounts which are deemed to be deposits within the meaning of provisions of sections 73 to 76 or any other relevant provisions of the Act and the Rules framed thereunder. Accordingly, paragraph 3(v) of the Order is not applicable.

[vi] As informed to us, maintenance of cost records has not been prescribed by the Central Government under sub-section (1) of section 148 of the Companies Act for any of the product of the Company.

[vii] (a) In our opinion and according to the information and explanations given to us, the company has generally been regular in depositing with the appropriate authorities the undisputed statutory dues applicable to it. There were no arrears of outstanding undisputed statutory dues as at the last day of the financial year concerned 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 statutory dues which have not been deposited on account of any dispute.

[viii] According to the information and explanations given to us, the company has not surrendered or disclosed any unrecorded transactions in the books of account as income during the year in the tax assessments under the Income Tax Act, 1961.

[ix] (a) According to the information and explanations given to us, the Company has repaid interest free unsecured loans received from a director during the year. The Company has not obtained any other loans or borrowings from the banks, financial institutions, government nor issued any debentures.

(b) As informed to us, the Company has not been declared as a wilful defaulter by any bank or financial institution or other lender.

(c) According to the information and explanations given to us, the Company has not availed any term loans during the year. Accordingly, paragraphs 3 (ix)(c) of the Order are not applicable.

ANNUAL REPORT 2021 - 2022
CHANDNI MACHINES LIMITED

(d) According to the information and explanations given to us and on an overall examination of the Balance Sheet, in our opinion, the Company has not utilized any funds raised on short term basis for long term purposes.

(e) According to the information and explanations given to us, the Company does not have any subsidiaries, associates or joint ventures. Accordingly, paragraphs 3 (ix)(e) and 3(ix)(f) of the Order are not applicable.

[x] (a) According to the information and explanations given to us, the Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, paragraph 3 (x)(a) of the Order is not applicable.

(b) According to the information and explanations give to us, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year. Accordingly, paragraph 3(x)(b) of the Order is not applicable.

[xi] (a) According to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the course of our audit.

(b) According to the information and explanations given to us, no report under sub-section (12) of section 143 of the Actt has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) According to the information and explanations given to us, the Company has not received any whistle-blower complaints during the year.

[xii] 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, in our opinion, the transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and the details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

[xiv] (a) According to the information and explanations provided to us and based on our examination, in our opinion, 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, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.

[xvi] (a) According to the information and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

(b) According to the information and explanations given to us, the Company has not conducted any Non-Banking Financial or Housing Finance activities during the year.

(c) According to the information and explanations given to us, the Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India.

ANNUAL REPORT 2021 - 2022
CHANDNI MACHINES LIMITED

(d) According to the information and explanations given to us, the Company is not in any group as defined in Core Investment Companies (Reserve Bank) Directions 2016.

(xvii) The Company has not incurred any cash losses in the current financial year and in the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year. Accordingly, paragraph 3(xviii) of the Order 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, 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 the 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 explanations given to us, the provisions of section 135 of the Companies Act are not applicable to the Company during the year. Accordingly, paragraph 3(xx) of the Order is not applicable.

For Ambavat Jain & Associates LLP
Chartered Accountants
ICAI Firm Registration No: 109681W

Ashish J Jain
Partner
Membership No.111829

Place: Mumbai
Date: 30 May 2022

ICAI UDIN No: 22111829AKWUKW1984

CHANDNI MACHINES LIMITED

(Formerly known as Chandni Machines Private Limited)

Annexure - B to the Independent Auditors' Report

(Referred to in paragraph 2(A)(f) under 'Report on other Legal & Regulatory Requirements' Section of our report of even date)

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

Opinion

We have audited the internal financial controls over financial reporting with reference to standalone financial statements of Chandni Machines Limited (hereinafter referred to as "the Company") as of 31st March 2022 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Considering the size of the company and nature of its business, in our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting with reference to standalone financial statements and such internal financial controls over financial reporting were operating effectively as at 31st March 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("the Guidance Note").

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The

ANNUAL REPORT 2021 - 2022
CHANDNI MACHINES LIMITED

procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls 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 Ambavat Jain & Associates LLP
Chartered Accountants
ICAI Firm Registration No: 109681W

Ashish J Jain
Partner
Membership No.111829

Place: Mumbai
Date: 30 May 2022

ICAI UDIN No: 22111829AKWUKW1984

ANNUAL REPORT 2021 - 2022
CHANDNI MACHINES LIMITED

CHANDNI MACHINES LIMITED

(Formerly known as Chandni Machines Private Ltd)

Balance Sheet as at 31st March, 2022

	Particulars	Note No.	AS AT 31/03/2022 Rs	AS AT 31/03/2021 Rs
I	ASSETS			
(1)	NON-CURRENT ASSETS			
(a)	Property, Plant and Equipment	3	2,51,75,461	2,57,69,849
(b)	Right of use assets	4	26,94,688	32,10,857
(c)	Financial Assets			
(i)	Other Financial Assets	5	4,02,090	3,77,883
(d)	Other non-current assets	6	2,27,718	6,45,940
(e)	Income-tax Assets (net)	7	35,08,065	5,48,789
(2)	CURRENT ASSETS			
(a)	Inventories	8	3,02,61,401	3,68,15,364
(b)	Financial Assets			
(i)	Trade receivables	9	30,48,364	21,98,34,060
(ii)	Cash and cash equivalents	10	1,52,37,208	49,77,908
(iii)	Bank balances other than (ii) above	11	3,85,11,638	1,60,11,638
(iv)	Other financial assets	12	97,907	1,00,000
(c)	Other current assets	13	3,44,33,756	12,06,45,194
	Total Assets		15,35,98,296	42,89,37,482
II	EQUITY AND LIABILITIES			
(1)	EQUITY			
(a)	Equity Share capital	14	3,22,74,330	3,22,74,330
(b)	Other Equity	15	3,48,77,210	1,92,30,753
(2)	LIABILITIES			
(A)	NON -CURRENT LIABILITIES			

ANNUAL REPORT 2021 - 2022
CHANDNI MACHINES LIMITED

(a)	Financial Liabilities			
(i)	Lease liabilities	16	13,37,298	19,89,360
(b)	Deferred tax liabilities (Net)	17	8,67,538	2,04,725
(c)	Provisions	18	2,27,183	-
(B)	CURRENT LIABILITIES			
(a)	Financial Liabilities			
(i)	Borrowings	19	-	3,00,000
(ia)	Lease liabilities	20	14,70,214	12,85,670
(ii)	Trade payables	21		
(a)	total outstanding dues of micro enterprises & small enterprises		-	37,017
(b)	total outstanding dues of creditors other than micro enterprises & small enterprises		29,45,300	20,26,03,143
(b)	Other Current Liabilities	22	7,65,10,885	17,10,12,483
(c)	Current Income-tax	23	30,88,338	-
	Total Equity and Liabilities		15,35,98,296	42,89,37,482

Significant Accounting Policies

2

The accompanying notes are an integral part of the financial statements

As per our report of even date

On behalf of the Board

For Ambavat Jain & Associates LLP

Firm Registration No. 109681W

Sd/-

Sd/-

Sd/

Ashish J. Jain

Partner

Membership No. 111829

J.R. Mehta

Director

DIN 00193029

Sd/-

Neelam Devani

Company Secretary

**Membership No.
A47166**

R.C. Garg

Director

DIN 03346742

Sd/-

Bharat Shah

**Chief Financial
Officer**

DIN 08066115

Place : MUMBAI

Date : 30-05-2022

Place : MUMBAI

Date : 30-05-2022

CHANDNI MACHINES LIMITED

(Formerly known as Chandni Machines Private Ltd)

Statement of Profit and Loss for the year ended 31st March, 2022

Particulars	Note No.	2021-22 Rs.	2020-21 Rs.
Income			
I Revenue From Operations	24	1,49,04,55,063	43,15,11,763
II Other Income	25	22,69,160	27,42,429
III Total Income (I + II)		1,49,27,24,224	43,42,54,192
IV Expenses			
a) Purchases of Stock-in-Trade	26	1,43,07,52,720	39,95,62,526
b) Change in inventories of Stock-in-Trade	27	65,53,963	1,97,36,039
c) Employee benefits expense	28	55,98,673	40,01,899
d) Finance costs	29	2,00,823	2,24,044
e) Depreciation & amortization	3 & 4	24,03,077	19,76,936
f) Other expenses	30	2,60,56,854	82,53,832
Total Expenses (IV)		1,47,15,66,110	43,37,55,276
V Profit before tax (III - IV)		2,11,58,113	4,98,916
VI Tax expenses :	31		
(i) Current tax		47,94,648	-
(ii) Tax of earlier years		54,196	-
(iii) Deferred tax		6,62,812	1,55,920
		55,11,656	1,55,920

**ANNUAL REPORT 2021 - 2022
CHANDNI MACHINES LIMITED**

VII	Profit for the year (V - VI)		1,56,46,457	3,42,996
VII	Other Comprehensive Income		-	-
IX	Total Comprehensive Income for the year (VII+VIII)		1,56,46,457	3,42,996
X	Earnings per equity share	32		
	(a) Basic		4.85	0.11
	(b) Diluted		4.85	0.11

Significant Accounting Policies 2

The accompanying notes are an integral part of the financial statements

As per our report of even date

For Ambavat Jain & Associates LLP

Chartered Accountants

Firm Registration No. 109681W

Sd/-

Ashish J. Jain

Partner

Membership No. 111829

Place :MUMBAI

Date : 30-05-2022

On behalf of the Board

Sd/-

J.R. Mehta

Director

DIN 00193029

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Neelam Devani

Company Secretary

Membership No. A47166

Place: MUMBAI

Date: 30-05-2022

Sd/-

R.C. Garg

Director

DIN 03346742

Sd/-

Bharat Shah

Chief Financial Officer

DIN 08066115

CHANDNI MACHINES LIMITED
(Formerly knowns as Chandni Machines Private Ltd)
Statement of Cash Flow the year ended 31st March 2022

Accounting Policy

Cash flows are reported using the indirect method, whereby profit/(loss) for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated. The company considers all highly liquid investments that are readily convertible to known amounts of cash to be cash equivalents.

Particulars	2021-22 Rs	2020-21 Rs
Cash flow from operating activities		
Profit before Tax	2,11,58,113	4,98,916
Adjustment for :		
Depreciation & amortisation	24,03,077	19,76,936
Preliminary Expenses W/off	90,338	90,336
Demerger Expenses Written off	2,52,884	2,52,884
Allowance for credit loss	14,88,940	-
Cancellation of Lease (Ind AS)	(43,811)	(48,102)
Rent Concession (Covid-19)	-	(80,000)
Interest Expenses	2,00,823	2,24,044
Cash operaing profit before working capital changes	2,55,50,364	29,15,013
Adjustment for :		

ANNUAL REPORT 2021 - 2022
CHANDNI MACHINES LIMITED

(Increase)/Decrease in trade receivables	21,52,96,755	(12,14,99,416)
(Increase)/Decrease in Inventories	65,53,963	1,97,36,039
(Increase)/Decrease in Other Financial Assets	(2,24,97,907)	42,25,000
(Increase)/Decrease in Other Current Assets	8,62,11,438	11,28,51,678)
(Increase)/Decrease in Other Non-Current Assets	75,000	48,365
(Increase)/Decrease in Other Non-Current Financial Assets	(24,207)	(67,068)
Increase/(Decrease) in provisions	2,27,183	-
Increase/(Decrease) in trade payables	(19,96,94,861)	9,76,64,812
Increase/(Decrease) in Other Current Liabilities	(9,45,01,598)	1,93,32,326
Cash generated from operating activities	1,71,96,130	95,03,393
Income taxes paid (net of refund)	(47,19,305)	(3,08,714)
Net Cash generated from operating activities	1,24,76,825	91,94,679
Cash flow from Investing activities		
Purchase of Property, Plant and Equipments	(1,63,654)	(20,18,644)
Payment for Right of Use Assets	-	(5,400)
Net cash generated/(used) from investing activities	(1,63,654)	(20,24,044)
Cash flow from Financing activities		
Short term borrowings repaid	(3,00,000)	(48,50,000)
Payment of Lease liabilities	(17,53,871)	(14,30,000)
Net cash generated/(used) from financing activities	(20,53,871)	(62,80,000)
Net Increase/(decrease) in cash and cash equivalents	1,02,59,300	8,90,635

**ANNUAL REPORT 2021 - 2022
CHANDNI MACHINES LIMITED**

Cash and cash equivalents at the beginning of the year	49,77,908	40,87,273
Cash and cash equivalents at end of the year	1,52,37,208	49,77,908

As per our report of
even date
For Ambavat Jain &
Associates LLP
Chartered Accountants
Firm Registration No.
109681W

Sd/-

Ashish J. Jain

Partner
Membership No. 111829

Place : MUMBAI
Date : 30-05-2022

On behalf of the Board

Sd/-

J.R. Mehta
Director
DIN 00193029

Sd/-

Neelam Devani
Company Secretary
Membership No. A47166

Sd/-

R.C. Garg
Director
DIN 03346742

Sd/-

Bharat Shah
Chief Financial Officer
DIN 08066115

Place : MUMBAI
Date : 30-05-2022

CHANDNI MACHINES LIMITED.
(Formerly known as Chandni Machines Private Ltd)

STATEMENT OF CHANGES IN EQUITY

A. Equity Share Capital

(1) 2021-22

Balance at the beginning of the Current reporting period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in Equity Share Capital during the current year	Balance at the end of the current reporting period
3,22,74,330	-	3,22,74,330	-	3,22,74,330
<u>(2) 2020-21</u>				
Balance at the beginning of the Current reporting period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in Equity Share Capital during the current year	Balance at the end of the current reporting period
3,22,74,330	-	3,22,74,330	-	3,22,74,330

B. Other Equity

	Reserves and Surplus		Items of Other Comprehensive Income	Total Other Equity
	Capital Reserve	Retained Earnings		
As at 1st April 2020	41,02,941	1,47,84,816	-	1,88,87,757
Profit for the year		3,42,996		3,42,996
Other Comprehensive income			-	

ANNUAL REPORT 2021 - 2022
CHANDNI MACHINES LIMITED

Total comprehensive income for the year		3,42,996	-	3,42,996
As at 31st March 2021	41,02,941	1,51,27,812	-	1,92,30,753
Profit for the year		1,56,46,457		1,56,46,457
Other Comprehensive income			-	
Total comprehensive income for the year	-	1,56,46,457	-	1,56,46,457
As at 31st March 2022	41,02,941	3,07,74,269	-	3,48,77,210

As per our report of even date

For Ambavat Jain & Associates LLP
Chartered Accountants
Firm Registration No. 109681W

Sd/-

Ashish J. Jain

Partner

Membership No. 111829

Place : MUMBAI

Date : 30-05-2022

On behalf of the Board

Sd/-

J.R. Mehta

Director

DIN 00193029

Sd/-

Neelam Devani

Company Secretary

Membership No. A47166

Place : MUMBAI

Date : 30-05-2022

Sd/-

R.C. Garg

Director

DIN 03346742

Sd/-

Bharat Shah

Chief Financial Officer

DIN 08066115

CHANDNI MACHINES LIMITED

(Formerly known as Chandni Machines Private Ltd.)

NOTES ON THE FINANCIAL STATEMENTS

1. GENERAL INFORMATION

Chandni Machines Ltd. is a public company limited by shares, domiciled in India and incorporated under the provisions of the Companies Act applicable in India. The registered office of the Company is located at 110, T.V. Industrial Estate, 52, S.K. Ahire Marg, Worli, Mumbai 400 030, India. Its shares are listed on BSE Ltd in India.

The Company is primarily engaged in trading of engineering goods.

The financial statements are approved by the company's board of directors on 30-05-2022.

2. Significant Accounting Policies

This note provides a list of the significant accounting policies adopted in the preparation of the Financial Statements of Chandni Machines Ltd. These policies have been consistently applied to all the period presented, unless otherwise stated.

a) Basis of preparation

(i) Compliance with Ind AS

These Financial Statement have been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 as a going concern on an accrual basis.

(ii) Historical cost convention

The Financial Statements have been prepared on a historical cost basis, except otherwise stated in the financial statements.

(iii) Use of estimates

In preparing the Financial Statements in conformity with accounting principles generally accepted in India, management is required to make estimates and assumptions that affect reported amounts of assets and liabilities and the disclosure of contingent liabilities as at the date of Financial Statements and the amounts of revenue and expenses during the reported period. Actual results could differ from those estimates. Any revision to such estimates is recognized in the period the same is determined.

b) Current versus non-current classification

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

ANNUAL REPORT 2021 - 2022
CHANDNI MACHINES LIMITED

An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current.

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

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents.

c) Fair value measurement

The Company measures financial instruments, at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of un-observable inputs.

ANNUAL REPORT 2021 - 2022 CHANDNI MACHINES LIMITED

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above. This note summarizes accounting policy for a fair value. Other fair value related disclosures are given in the relevant notes.

d) Revenue recognition

The Company earns revenue primarily from sale of products and sale of services.

Sale of Products and Services

Revenues are recognized when the Company satisfies the performance obligation by transferring a promised product or service to a customer. A product is transferred when the customer obtains control of that product. To recognize revenues, company applies the following five step approach: (1) identify the contract with a customer, (2) identify the performance obligations in the contract, (3) determine the transaction price, (4) allocate the transaction price to the performance obligations in the contract, and (5) recognize revenues when a performance obligation is satisfied. Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates.

Engineering Services

When the outcome of a transaction involving the rendering of services can be estimated reliably, revenue associated with the transaction shall be recognized by reference to the stage of completion of the transaction at the end of reporting period

Interest Income

Revenue from Interest is recognized on accrual basis and determined by contractual rate of interest.

ANNUAL REPORT 2021 - 2022
CHANDNI MACHINES LIMITED

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government. Revenue is measured net of indirect taxes, returns and discounts.

e) Transactions in Foreign Currency

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction. Premium on forward cover contracts, if any, in respect of imports is charged to profit & loss account over the period of contract. All monetary assets and liabilities as at the Balance sheet date, not covered by forward contracts are restated at the applicable exchange rates prevailing on that date. All exchange differences arising on transactions, not covered by forward contracts, are charged to Profit & Loss Account.

f) Cash and cash equivalents

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

g) Trade receivables

Trade receivables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method, less provision for impairment.

h) Inventories

Inventories are valued at the lower of cost and net realizable value.

- Costs includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition.
- Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

i) Property, Plant and Equipment

Property, plant and equipment are stated at historical cost less depreciation.

Historical Cost represents direct expenses incurred on acquisition or construction of the assets and the share of indirect expenses relating to construction allocated in proportion to the direct cost involved.

Depreciation methods, estimated useful lives and residual value

Depreciation on property, plant and equipment, is provided on 'Straight Line Method' based on useful life as prescribed under Schedule II of the Companies Act 2013.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in the Statement of Profit and Loss.

j) Lease

As a Lessee

The Company's lease asset classes primarily consist of leases for buildings. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets ("ROU") are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Modification of the lease terms relating to period of lease and lease payments are recognized in accordance with Paragraphs 42 to 46B of Indian AS 116 and appropriate adjustments are made to ROU and Lease liability during the year of modification of lease.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability

ANNUAL REPORT 2021 - 2022
CHANDNI MACHINES LIMITED

whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment of whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

The weighted average incremental borrowing rate applied to lease liabilities is 6%.

As a lessor

Lease income from operating leases where the Company is a lessor is recognized in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. The respective leased assets are included in the balance sheet based on their nature.

k) Financial instruments

Financial assets

Initial recognition and measurement

Financial assets are recognised when, and only when, the Company becomes a party to the contractual provisions of the financial instrument. The Company determines the classification of its financial assets at initial recognition.

When financial assets are recognised initially, they are measured at fair value, plus, in the case of financial assets not at fair value through profit or loss directly attributable transaction costs. Transaction costs of financial assets carried at fair value through profit or loss are expensed in the Statement of Profit and Loss.

Classification

- Cash and Cash equivalents
Cash and cash equivalents comprises cash on hand and demand deposits with banks.
- Debt Instruments

ANNUAL REPORT 2021 - 2022
CHANDNI MACHINES LIMITED

The Company classifies its debt instruments as subsequently measured at amortised cost, fair value through Other Comprehensive Income or fair value through profit or loss based on its business model for managing the financial assets and the contractual cash flow characteristics of the financial asset.

(i) Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost if these financial assets are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest. Interest income from these financial assets is included as a part of the Company's income in the Statement of Profit and Loss using the effective interest rate method.

(ii) Financial assets at fair value through Other Comprehensive Income (FVOCI)

Financial assets are subsequently measured at fair value through Other Comprehensive Income if these financial assets are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest. Movements in the carrying value are taken through Other Comprehensive Income, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains or losses which are recognised in the Statement of Profit and Loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in Other Comprehensive Income is reclassified from Other Comprehensive Income to the Statement of Profit and Loss. Interest income on such financial assets is included as a part of the Company's income in the Statement of Profit and Loss using the effective interest rate method.

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

Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on such debt instrument that is subsequently measured at FVTPL as well as interest income is recognised in the Statement of Profit and Loss.

Derecognition

A financial asset is derecognised only when the Company has transferred the rights to receive cash flows from the financial asset. Where the Company has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the Company has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

Financial Liabilities

Initial recognition and measurement

Financial liabilities are recognised when, and only when, the Company becomes a party to the contractual provisions of the financial instrument. The Company determines the classification of its financial liabilities at initial recognition.

All financial liabilities are recognised initially at fair value, plus, in the case of financial liabilities not at fair value through profit or loss directly attributable transaction costs.

Subsequent measurement

After initial recognition, financial liabilities that are not carried at fair value through profit or loss are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised in the Statement of Profit and Loss when the liabilities are derecognised, and through the amortisation process.

Derecognition

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a de-recognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

Impairment of financial assets

The Company assesses, at each reporting date, whether a financial asset or a group of financial assets is impaired. Ind AS-109 on Financial Instruments, requires expected credit losses to be measured through a loss allowance. For trade receivables only, the Company recognises expected lifetime losses using the simplified approach permitted by Ind AS-109, from initial recognition of the receivables. For other financial assets (not being equity instruments or debt instruments measured subsequently at FVTPL) the expected credit losses are measured at the 12 month expected credit losses or an amount equal to the lifetime expected credit losses if there has been a significant increase in credit risk since initial recognition.

1) Trade and Other Payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortized cost using the effective interest method.

m) Borrowing costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized as part of the cost of respective assets during the period of time that is required to complete and prepare the asset for its intended use. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. Other borrowing costs are expensed in the period in which they are incurred.

n) Employee Benefits

(i) Short-term obligations

The costs of all short-term employee benefits (that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service) are recognised during the period in which the employee renders the related services. The accruals for employee entitlements of benefits such as salaries, bonuses and annual leave represent the amount which the Company has a present obligation to pay as a result of the employees' services and the obligation can be measured reliably. The accruals have been calculated at undiscounted amounts based on current salary levels at the Balance Sheet date.

(ii) Post-employment obligations

The Company operates the following post-employment schemes:

Provident Fund

The Company pays provident fund contributions to a fund administered by Government Provident Fund Authority. The Company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognized as employee benefit expense when they are due.

Gratuity

The Company has provided for gratuity in terms Payment of Gratuity Act, 1972 to eligible employees considering that all employees retire on the Balance Sheet date.

o) Tax expenses

(i) Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted, by the end of the reporting period.

(ii) Deferred Tax

Deferred Income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the separate Financial Statements.

Deferred tax assets are recognized for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilize those temporary differences and losses. Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Current and Deferred tax is recognized in profit or loss, except to the extent that it relates to items recognized in other Comprehensive Income or directly in equity. In this case, the tax is also recognized in other comprehensive income or directly in equity, respectively.

p) Earnings per share

Basic earnings per share is computed by dividing the profit or loss after tax by the weighted average number of equity shares outstanding during the year including potential equity shares on compulsory convertible debentures. Diluted earnings per share is computed by dividing the profit / (loss) after tax as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share.

q) Impairment of assets

Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. Assets that suffered impairment are reviewed for possible reversal of the impairment at the end of each reporting period. In case of such reversal, the carrying amount of the asset is increased so as not to exceed the carrying amount that would have been determined had there been no impairment loss.

r) Segment Reporting

Segments are identified based on the manner in which the Chief Operating Decision Maker ('CODM') decides about resource allocation and reviews performance. Segment results that are reported to the CODM include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Segment capital expenditure is the total cost incurred during the period to acquire property and equipment and intangible assets including goodwill.

s) Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognized when there is a present legal or statutory obligation or constructive obligation as a result of past events and where it is probable that there will be outflow of resources to settle the obligation and when a reliable estimate of the amount of the obligation can be made.

Contingent liabilities are recognized only when there is a possible obligation arising from past events due to occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or where any present obligation cannot be measured in terms of future outflow of resources or where a reliable estimate of the obligation cannot be made. Obligations are assessed on an ongoing basis and only those having a largely probable outflow of resources are provided for.

Contingent assets where it is probable that future economic benefits will flow to the Company are not recognized but disclosed in the Financial Statements. However, when the realization of income is virtually certain, then the related asset is no longer a contingent asset, but it is recognized as an asset.

Recent pronouncements

Ministry of Corporate Affairs (“MCA”) notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from April 1, 2022, as below:

Ind AS 103 – Reference to Conceptual Framework

The amendments specify that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India at the acquisition date. These changes do not significantly change the requirements of Ind AS 103. The Company does not expect the amendment to have any significant impact in its financial statements.

Ind AS 16 – Proceeds before intended use

The amendments mainly prohibit an entity from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use. Instead, an entity will recognize such sales proceeds and related cost in profit or loss. The Company does not expect the amendments to have any impact in its recognition of its property, plant and equipment in its financial statements.

ANNUAL REPORT 2021 - 2022
CHANDNI MACHINES LIMITED

Ind AS 37 – Onerous Contracts - Costs of Fulfilling a Contract

The amendments specify that the ‘cost of fulfilling’ a contract comprises the ‘costs that relate directly to the contract’. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts. The amendment is essentially a clarification and the Company does not expect the amendment to have any significant impact in its financial statements.

Ind AS 109 – Annual Improvements to Ind AS (2021)

The amendment clarifies which fees an entity includes when it applies the ‘10 percent’ test of Ind AS 109 in assessing whether to derecognize a financial liability. The Company does not expect the amendment to have any significant impact in its financial statements.

Ind AS 116 – Annual Improvements to Ind AS (2021)

The amendments remove the illustration of the reimbursement of leasehold improvements by the lessor in order to resolve any potential confusion regarding the treatment of lease incentives that might arise because of how lease incentives were described in that illustration. The Company does not expect the amendment to have any significant impact in its financial statements.

3 Property, Plant and Equipment

Particulars	GROSS CARRYING AMOUNT			DEPRECIATION				NET CARRYING AMOUNT		
	As at 01/04/2021	Additions	Deductions/ Adjustments	As at 31/03/2022	Upto 31/03/2021	For the year	Deductions/ Adjustments	Upto 31/03/2022	As at 31/03/2022	As at 31/03/2021
Office Premises	2,41,29,760	-		2,41,29,760	8,18,107	3,81,809		11,99,916	2,29,29,844	2,33,11,653
Furniture & Fixtures	2,36,417	44,599	-	2,81,016	32,092	24,580	-	56,672	2,24,344	2,04,325
Office Equipments	4,41,221	13,559	-	4,54,780	1,67,105	85,053	-	2,52,158	2,02,622	2,74,116
Computer	49,200	-	-	49,200	36,973	9,767	-	46,740	2,460	12,227
Vehicles	20,42,164	-	-	20,42,164	94,945	2,40,795	-	3,35,740	17,06,424	19,47,219
Air Conditioners	23,500	1,05,496	-	1,28,996	19,400	11,080	-	30,480	98,516	4,100
Electrical Fittings	51,967	-	-	51,967	35,758	4,958	-	40,716	11,251	16,209
Total	2,69,74,229	1,63,654	-	2,71,37,883	2,04,380	7,58,042	-	19,62,422	2,51,75,461	2,57,69,849
Total Previous Year	2,49,55,585	20,18,644	-	2,69,74,229	6,20,770	5,83,610	-	12,04,380	2,57,69,849	2,43,34,815

ANNUAL REPORT 2021 - 2022
CHANDNI MACHINES LIMITED

4 Right of use assets

Particulars	31/03/2022	31/03/2021
Balance at the beginning	32,10,857	26,40,343
Additions	16,88,085	40,31,802
Deletion	5,59,219	20,67,962
Depreciation	16,45,035	13,93,326
Balance at the year end	26,94,688	32,10,857

The aggregate depreciation expense on ROU assets is included under depreciation and amortization expense in the Statement of Profit and Loss.

	As at 31/03/2022	As at 31/03/2021
	Rs	Rs
5 <u>OTHER NON-CURRENT FINANCIAL ASSETS</u>		
(Unsecured considered good)		
Security Deposits - Considered good	3,30,007	3,77,883
Loan to Employees - Considered good	72,083	-
Security Deposits - Considered doubtful	-	75,000
Less : Allowance for doubtful deposits	-	(75,000)
	4,02,090	3,77,883
6 <u>OTHER NON-CURRENT ASSETS</u>		
(Unsecured considered good)		
Deposit with Government Authorities	-	75,000
Others	2,27,718	5,70,940
	2,27,718	6,45,940
7 <u>INCOME TAX ASSETS (net)</u>		
Advance Tax / TDS less provisions	35,08,065	5,48,789
	35,08,065	5,48,789

ANNUAL REPORT 2021 - 2022
CHANDNI MACHINES LIMITED

8 INVENTORIES

Stock-in-trade	3,02,61,401	3,68,15,364
	3,02,61,401	3,68,15,364

9 TRADE RECEIVABLES

Trade Receivables

Unsecured, Considered good	30,48,364	21,98,34,060
Credit Impaired	14,88,940	-
Less :- Allowance for credit loss	14,88,940	-
	-	-
	30,48,364	21,98,34,060

10 CASH & CASH EQUIVALENTS

Balances with banks

-in current accounts	1,19,18,173	38,99,906
-in Fixed Deposit	17,00,000	6,00,000
Cash on hand	16,19,035	4,78,002
	1,52,37,208	49,77,908

11 OTHER BANK BALANCES

Bank deposits with maturity of more than 3 months but less than 12 months

	3,85,11,638	1,60,11,638
	3,85,11,638	1,60,11,638

12 OTHER CURRENT FINANCIAL ASSETS

(Unsecured, considered good)

Advances to Others	-	25,000
Loans to employess	93,907	75,000
Deposits	4,000	-
	97,907	1,00,000

ANNUAL REPORT 2021 - 2022
CHANDNI MACHINES LIMITED

13 OTHER CURRENT ASSETS :

Unsecured, Considered Good

Balances with Govt. Authorities	6,31,900	9,96,477
Claims & Other Receivables	6,79,139	3,31,796
Advances to vendors	3,30,15,323	11,92,19,340
Prepaid Expenses	1,07,395	97,581
	3,44,33,756	12,06,45,194

Unsecured, Considered Doubtful

Advances to vendors/others	8,37,211	15,08,405
Less :- Allowance for doubtful advances	8,37,211	15,08,405
	-	-
	3,44,33,756	12,06,45,194

14 EQUITY SHARE CAPITAL

(a) AUTHORISED :

32,50,000 (32,50,000) Equity Shares of Rs. 10/- each	3,25,00,000	3,25,00,000
	3,25,00,000	3,25,00,000

(b) ISSUED, SUBSCRIBED AND FULLY PAID

32,27,433 (32,27,433) Equity Shares of Rs.10/- each	3,22,74,330	3,22,74,330
	3,22,74,330	3,22,74,330

(c) The reconciliation of the number of shares outstanding is set out below :

Equity Shares of Rs.10/- each at the beginning of the year	32,27,433	32,27,433
Equity Shares of Rs.10/- each at the end of the year	32,27,433	32,27,433

(d) The Company has only one class of equity shares. These shares rank pari passu in all respects including voting rights, entitlement to dividend and distribution of assets of the Company in the event of liquidation.

(e) The details of Shareholders holding more than 5% shares

ANNUAL REPORT 2021 - 2022
CHANDNI MACHINES LIMITED

<u>Name of the Shareholder</u>	<u>Nos.</u>	<u>%</u>	<u>Nos.</u>
Mr. Jayesh R. Mehta	8,38,418	25.98	8,38,418
Mrs. Amita J. Mehta	5,51,925	17.10	5,51,925
Mr. Chetan K. Mehta	3,86,195	11.97	3,86,195
Mrs. Hetal C. Mehta	2,10,000	6.51	2,10,000

(f) **Shares held by promoters at the end of the year** **As at 31-03-2022**

Name of Promoter	Nos.	%	% change
Jayesh R. Mehta	8,38,418	25.98%	-
Amita J. Mehta	5,51,925	17.10%	-
Purna Karan Khanna	13,400	0.42%	-
Chandni Chintan Bhagat	12,500	0.39%	-
J.R. Texmachtrade Pvt Ltd	84,442	2.62%	-
Total	15,00,685	46.50%	

Shares held by promoters at the end of the year **As at 31-03-2021**

Name of Promoter	Nos.	%	% change
Jayesh R. Mehta	8,38,418	25.98%	-
Amita J. Mehta	5,51,925	17.10%	-
Purna Karan Khanna	13,400	0.42%	-
Chandni Chintan Bhagat	12,500	0.39%	-
J.R. Texmachtrade Pvt Ltd	84,442	2.62%	-
Total	15,00,685	46.50%	

15 OTHER EQUITY

Reserves & Surplus

a) Capital Reserve

Opening Balance	41,02,941	41,02,941
Closing Balance	41,02,941	41,02,941

b) Retained Earnings

Opening Balance	1,51,27,812	1,47,84,816
Add : Profit for the year	1,56,46,457	3,42,996

ANNUAL REPORT 2021 - 2022
CHANDNI MACHINES LIMITED

Closing Balance	3,07,74,269	1,51,27,812
	3,48,77,210	1,92,30,753

16 NON-CURRENT LEASE LIABILITIES

Lease Liabilities	13,37,298	19,89,360
	13,37,298	19,89,360

(a) The following is the movement in lease liabilities during the year ended 31st March

Balance as at beginning	32,75,030	26,50,648
Additions	16,88,085	40,26,402
Finance cost accrued during the period	2,00,823	2,24,044
Deletions	(6,02,555)	(21,16,064)
Rent concession (Covid-19)	-	(80,000)
Payment of lease liabilities	(17,53,871)	(14,30,000)
Balance at the end	28,07,512	32,75,030

(b) Maturity analysis of lease liabilities - Contractual undiscounted cash flows

Less than one year	15,80,000	14,40,000
One to five years	13,68,000	20,72,000
Total undiscounted lease liabilities at 31 March	29,48,000	35,12,000
Lease liabilities included in the Statement of Financial position as at 31st March	28,07,512	32,75,030
Current	14,70,214	12,85,670
Non-Current	13,37,298	19,89,360

(c) The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

17 DEFERRED TAX LIABILITIES/(ASSETS) (NET)

Deferred tax Liabilities :

Timing difference on account of depreciation	15,71,651	12,00,145
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ANNUAL REPORT 2021 - 2022
CHANDNI MACHINES LIMITED

	15,71,651	12,00,145
<u>Deferred Tax Assets :</u>		
Expenses allowable on payment basis under Tax Laws	1,18,667	55,174
Unabsorbed Depreciation	-	5,41,734
Allowances for doubtful advances / deposits / debts	5,85,446	3,98,511
	7,04,113	9,95,420
Net Deferred Tax Liabilities/(Assets)	8,67,538	2,04,725
18 <u>PROVISIONS</u>		
For Gratuity	2,27,183	-
	2,27,183	-
19 <u>CURRENT BORROWINGS</u>		
<u>Unsecured :</u>		
From Director	-	3,00,000
	-	3,00,000
20 <u>CURRENT LEASE LIABILITIES</u>		
Lease Liabilities (Refer note No. 16)	14,70,214	12,85,670
	14,70,214	12,85,670
21 <u>TRADE PAYABLES</u>		
Outstanding dues to micro enterprises & small enterprises	-	37,017
Outstanding dues of creditors other than micro enterprises & small enterprises	29,45,300	20,26,03,143
	29,45,300	20,26,40,160
(Refer note No. 38 for additional information under the MSMED Act, 2006)		
22 <u>OTHER CURRENT LIABILITIES</u>		
Advances received from customers	7,55,22,840	17,07,90,654
Statutory Dues payable	9,88,045	2,21,829
	7,65,10,885	17,10,12,483

ANNUAL REPORT 2021 - 2022
CHANDNI MACHINES LIMITED

23 CURRENT INCOME-TAX

Income-tax Provisions	30,88,338	-
	30,88,338	-

24 REVENUE FROM OPERATIONS

Sales of Products	1,49,04,55,063	43,15,11,763
	1,49,04,55,063	43,15,11,763

24. PARTICULARS OF SALE OF
1 PRODUCTS

Engineering Goods	1,49,04,55,063	43,15,11,763
	1,49,04,55,063	43,15,11,763

25 OTHER INCOME

Interest Income :		
on Bank Fixed Deposits	15,91,658	7,05,249
on Others	13,472	3,747
on Unwinding	26,219	20,224
Foreign Exchange gains - (Net)	-	1,38,806
Rent Concession (Covid-19)	-	80,000
Compensation/Rent Income	5,94,000	5,06,250
Miscellaneous Income	43,811	48,903
Provisions for doubtful advances no longer required	-	12,39,250
	22,69,160	27,42,429

26 PURCHASES OF STOCK-IN-TRADE

Engineering Goods	1,43,07,52,720	39,95,62,526
	1,43,07,52,720	39,95,62,526

27 CHANGES IN INVENTORIES OF STOCK-IN-TRADE

Opening Stock

ANNUAL REPORT 2021 - 2022
CHANDNI MACHINES LIMITED

Stock-in-trade	3,68,15,364	5,65,51,403
Less : Closing Stock :		
Stock-in-trade	3,02,61,401	3,68,15,364
	65,53,963	1,97,36,039
28 <u>EMPLOYEE BENEFITS EXPENSES</u>		
Salaries, Wages, Bonus etc.	53,26,735	38,65,233
Contribution to Provident Fund and other funds	48,234	44,595
Employees Welfare Expenses	2,23,704	92,071
	55,98,673	40,01,899
29 <u>FINANCE COSTS</u>		
Interest on lease liabilities	2,00,823	2,24,044
	2,00,823	2,24,044
30 <u>OTHER EXPENSES</u>		
Bank Charges	902	-
Clearing, Forwarding & Freight	6,76,980	2,17,600
Commission on sales	1,66,41,237	34,15,840
Contract labour charges	19,20,000	2,24,000
Travelling & Conveyance	7,39,792	2,85,546
Telephone, Postage & Telegram	84,132	54,390
Electricity Charges	96,668	1,31,893
Sales Promotion & Advertisement	5,75,189	2,15,136
Insurance	27,090	25,289
Legal & Professional Charges	5,47,333	4,85,800
Rent	9,49,016	8,09,165
Rates & taxes	55,500	57,546
Repairs - Others	5,70,105	6,96,807
General Expenses	11,07,270	8,89,498
Payment to Auditors :		
- As Auditor	2,25,500	2,00,500
Foreign Exchange gains - (Net)	3,900	-
Business Loss / Sundry balances w/off.	4,077	2,01,602
Allowance for credit loss	14,88,940	-
Preliminary Expenses w/off.	90,338	90,336

ANNUAL REPORT 2021 - 2022
CHANDNI MACHINES LIMITED

Demerger Expenses w/off.	2,52,884	2,52,884
	2,60,56,854	82,53,832

31 TAX EXPENSE

(a) Income tax

Tax on profits for the year	47,94,648	-
Tax for prior year	54,196	-
Total income tax	48,48,844	-

(b) Deferred tax

Decrease / (Increase) in deferred tax assets	2,91,306	(3,47,238)
(Decrease) / Increase in deferred tax liabilities	3,71,506	5,03,158
Total deferred tax expense/(benefit)	6,62,812	1,55,920

Total tax expense	55,11,656	1,55,920
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Reconciliation of tax expense and the accounting profit multiplied by tax rate

(c) :

Profit before income tax expenses	2,11,58,113	4,98,916
Tax at the current tax rate	53,25,074	1,25,567
Tax effect of expenses which are not deductible :	19,743	7,802
Tax effect on adjustment due to change in tax rates	-	7,473
Tax effect due to Ind AS adjustments	12,100	15,078
Tax for prior year	6,276	-
Interest	1,48,463	-
Total tax expenses	55,11,656	1,55,920

32 Earnings per Share :- Basic and Diluted

a) Profit after tax	Rs.	1,56,46,457	3,42,996
b) Weighted Average Number of Equity shares outstanding	Nos.	32,27,433	32,27,433

ANNUAL REPORT 2021 - 2022
CHANDNI MACHINES LIMITED

c) The nominal value per Equity Share	Rs.	10	10
d) Earnings per Share –Basic & Diluted	Rs.	4.85	0.11

33 FAIR VALUE MEASUREMENTS

Financial instruments by category				
	As at 31-03-2022		As at 31-03-2021	
	FVPL	Amortised cost	FVPL	Amortised cost
Financial Assets				
Trade receivables	-	30,48,364	-	21,98,34,060
Cash & Cash Equivalents	-	1,52,37,208	-	49,77,908
Other Bank Balances	-	3,85,11,638	-	1,60,11,638
Security Deposits	-	3,34,007	-	3,77,883
Advances to Others	-	-	-	25,000
Loans to Employees		1,65,990		75,000
Total Financial Assets	-	5,72,97,207	-	24,13,01,489
Financial Liability				
Borrowings	-	-	-	3,00,000
Trade payables	-	29,45,300	-	20,26,40,160
Lease Liabilities	-	28,07,512	-	32,75,030
Total Financial Liability	-	57,52,812	-	20,62,15,190

34. FAIR VALUE HIERARCHY

(i) Quantitative disclosures of fair value measurement hierarchy for assets and liabilities as at 31-03-2022:

	Fair value measurement using				
	Date of valuation	Quoted price in active market level(1)	Significant observable inputs level(2)	Significant unobservable inputs level(3)	Total
<u>Financial Assets at amortised cost</u>					
Trade Receivables	31/03/2022		30,48,364		30,48,364
Bank Balances	31/03/2022		1,36,18,173		1,36,18,173
Other Bank Balances	31/03/2022		3,85,11,638		3,85,11,638
Security Deposits	31/03/2022		3,34,007		3,34,007
Loans to Employees	31/03/2022		1,65,990		1,65,990
<u>Financial Liabilities at amortised cost</u>					
Trade payable	31/03/2022		29,45,300		29,45,300
Lease Liabilities	31/03/2022		28,07,512		28,07,512

(ii) Quantitative disclosures of fair value measurement hierarchy for assets and liabilities as at 31-03-2021:

	Fair value measurement using				
	Date of valuation	Quoted price in active market level(1)	Significant observable inputs level(2)	Significant unobservable inputs level(3)	Total
<u>Financial Assets at amortised cost</u>					
Trade Receivables	31/03/2021	-	21,98,34,060	-	21,98,34,060

ANNUAL REPORT 2021 - 2022
CHANDNI MACHINES LIMITED

Bank Balances	31/03/2021	-	44,99,906	-	44,99,906
Other Bank Balances	31/03/2021	-	1,60,11,638	-	1,60,11,638
Security Deposits	31/03/2021	-	3,77,883	-	3,77,883
Advances to Others	31/03/2021	-	25,000	-	25,000
Loans to Employees	31/03/2021	-	75,000	-	75,000
Financial Liabilities at amortised cost					
Borrowings	31/03/2021	-	3,00,000	-	3,00,000
Trade payable	31/03/2021	-	20,26,40,160	-	20,26,40,160
Lease Liabilities	31/03/2021	-	32,75,030	-	32,75,030

35 Financial Risk Management

The Company's activities expose it to market risk (including currency risk, interest rate risk and other price risk), liquidity risk, credit risk and other risks. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk :

The Company's risk management is carried out by chief financial officer under policies approved by the Board of Directors. The Company's chief financial officer identifies, evaluates and hedges financial risks in close co-operation with the Company's operating units. The board provides principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, use of non-derivative financial instruments and investment of excess liquidity. The risk management includes identification, evaluation and identifying the best possible option to reduce such risk. The Board has been monitoring the risks that the Company is exposed to due to outbreak of COVID 19 closely. The Board has taken all necessary actions to mitigate the risks identified basis the information and situation present.

(A) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risks: currency risk, interest rate risk and other price risk. Financial instruments affected by market risk include borrowings, trade payables, trade receivables, loans and non-derivative financial instruments.

(i) Foreign currency risk

Foreign currency risk arises from future commercial transactions and recognized assets or liabilities denominated in a currency that is not the Company's functional currency (INR). This is closely monitored by the Management to decide on the requirement of hedging. The position of

ANNUAL REPORT 2021 - 2022
CHANDNI MACHINES LIMITED

unhedged foreign currency exposure to the Company as at the end of the year expressed in INR are as follows :

Currency	31/03/2022 Asset (Receivable)	31/03/2021 Asset (Receivable)	31/03/2022 Liability (Payable)	31/03/2021 Liability (Payable)	31/03/2022 Net Receivable/ (Payable)	31/03/2021 Net Receivable / (Payable)
US Dollar (USD)	-	4,22,242	-	-	-	4,22,242
Euro	-	2,48,952	-	-	-	2,48,952
Exposure to foreign currency risk	-	6,71,194	-	-	-	6,71,194

Sensitivity

The sensitivity of profit or loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments

	<u>Impact on profit</u> <u>Increase/(Decrease)</u>	
	<u>March 31, 2022</u>	<u>March 31, 2021</u>
USD sensitivity		-
INR/USD Increases by 5%	-	21,112
INR/USD Decreases by 5%	-	(21,112)
EURO sensitivity		-
INR/EURO Increases by 5%	-	12,448
INR/EURO Decreases by 5%	-	(12,448)

Holding all other variables constant.

(ii) **Interest rate risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company had interest free borrowings which was repaid during the year and hence is not exposed to interest rate risk.

(B) **Credit risk**

Credit risk arises when a counter party defaults on contractual obligations resulting in financial loss to the Company. Trade receivables consist of large number of customers, spread across diverse industries and geographical areas. In order to mitigate the risk of financial loss from defaulters, the Company has an ongoing credit evaluation process in respect of customers who are allowed credit period. In respect of walk-in customers the Company does not allow any credit period and therefore, is not exposed to any credit risk. In general, it is presumed that credit risk has significantly increased since initial recognition if the payments are more than 90 days past due.

(C) **Liquidity risk**

The Company has sufficient cash and cash equivalent and other liquid current financial assets which can be easily realised in cash or cash equivalent in short time .Therefore there is no significant liquidity risk.

**Maturities of Financial
Liabilities**

The tables below analyse the Company's Financial Liabilities into relevant maturity groupings based on their contractual maturities for all non-derivative Financial Liabilities.

	Not later than 1 year	Between 1 to 5 years	Later than 5 years	Total
31/03/2022				
Non-derivatives				
Trade Payables	29,45,300	-	-	29,45,300
Lease Liabilities	14,70,214	13,37,298	-	28,07,512
	44,15,514	13,37,298	-	57,52,812
31/03/2021				
Non-derivatives				
Borrowings	3,00,000	-	-	3,00,000
Trade Payables	20,26,40,160	-	-	20,26,40,160
Lease Liabilities	12,85,670	19,89,360		32,75,030

				20,62,15,1
	20,42,25,830	19,89,360	-	90

(D) Risk due to outbreak of COVID 19 pandemic

The company's management has made an assessment of the impact of COVID 19 in preparation for these financial results. The management has considered all relevant external and internal factors in the measurement of assets and liabilities including recoverability of carrying values of its assets, its liquidity position and ability to repay debts. No adjustment to key estimates and judgements that impact the financial results have been identified. However, the impact and assessment of COVID 19 will be a continuing process given the uncertainties associated with its nature and duration and no significant impact is envisaged on the operations.

36 Capital management

For the purpose of the Company's capital management, equity includes issued equity capital and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximise the shareholder value. The Company's Capital Management objectives are to maintain equity including all reserves to protect economic viability and to finance any growth opportunities that may be available in future so as to maximize shareholders' value. The Company is monitoring capital using debt equity ratio as its base, which is debt to equity. The company's policy is to keep debt equity ratio below one and infuse capital if and when it is required through issue of new shares and/or better operational results and efficient working capital management.

In order to achieve the aforesaid objectives, the Company has not sanctioned any major capex since inception. However, modernization, upgradation and continued marginal expansions have been to remain competitive and improve product quality through efficient machinery. There is constant endeavour to reduce debt as much as feasible and practical by improving operational and working capital management.

Debt-to-equity ratio are as follows:

	31/03/2022	31/03/2021
Debt (A)	-	3,00,000
Equity (B)	6,71,51,540	5,15,05,083
Debt/Equity (A/B)	-	0.01

37. Movement in Deferred Tax Liabilities / (Assets)

Particulars	As on 31-03- 2020	Charge/ (Credit) to Statemen t of P&L	Charge/ (Credit) to OCI	As on 31-03- 2021	Charge/ (Credit) to Statemen t of P&L	Charge/ (Credit) to OCI	As on 31- 03-2022
		2020-21	2020-21		2021-22	2021- 22	
<u>Deferred Tax Liability –</u>							
Timing difference on account of depreciation	6,96,987	5,03,158	-	12,00,14 5	3,71,506	-	15,71,651
	6,96,987	5,03,158	-	12,00,14 5	3,71,506	-	15,71,651
<u>Deferred Tax Assets –</u>							
Expenses allowable on payment basis under Tax							
Laws	-	(55,173)	-	55,173	(63,494)	-	1,18,667
Unabsorbed Depreciation	-	(5,41,734)	-	5,41,734	5,41,734	-	-
Allowance for doubtful advances / deposits	6,45,824	2,47,312	-	3,98,512	(1,86,933)	-	5,85,446
Others	2,358	2,358	-	-	-	-	-
	6,48,182	(3,47,238)	-	9,95,420	2,91,306	-	7,04,113
Net Deferred Tax Liabilities	48,805	1,55,920	-	2,04,725	6,62,812	-	8,67,538

38. Additional information in terms of Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 in respect of amount outstanding to Micro and Small Enterprises based on the information available with the Company are given below :-

ANNUAL REPORT 2021 - 2022
CHANDNI MACHINES LIMITED

	31-03-2022	31-03-2021
i) Principal amount remaining unpaid on	Nil	37,017
ii) Interest due thereon as on	Nil	Nil
iii) Interest paid by the Company in terms of Section 16 of Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during the year.	Nil	Nil
iv) Interest due and payable for the period of delay in making payment (which have been paid but beyond the day during the year) but without adding the interest specified under Micro, Small and Medium Enterprises Development Act, 2006.	Nil	Nil
v) Interest accrued and remaining unpaid as at	Nil	Nil
vi) Further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises.	Nil	Nil

39. Value of Imports On CIF Basis

	<u>2021-22</u>	<u>2020-21</u>
	<u>(Rs.)</u>	<u>(Rs.)</u>
Engineering Goods	1,19,566	20,41,873

40. Expenditure In Foreign Currency (on accrual basis)

Foreign	1,61,312	NIL
Travelling		

41. Employee Benefits:

I. Defined Benefits Plans

The Company has provided for bonus amounting to Rs. 2,62,808/- (Previous year Rs.2,19,974/-) for all its employees under the Payment of Bonus Act, 1965 which has been recognized in the Statement of Profit & Loss for the year.

ANNUAL REPORT 2021 - 2022
CHANDNI MACHINES LIMITED

The Company has provided for Gratuity amounting to Rs. 2,27,183/- (Previous year Rs.Nil) for its eligible employees under the Payment of Gratuity Act, 1972 which has been recognized in the Statement of Profit & Loss for the year.

II. Defined Contribution Plans

a) Employers' Contribution to Provident Fund/Pension Scheme

During the year, the Company has recognized the following amounts as expenses in the Statement of Profit and Loss –

	2021-22	2020-21
	Rs.	Rs.
- Employers' Contribution to Provident Fund/ Pension Scheme	40,544	37,023

42. Lease

Amounts recognized in the Statement of Profit & Loss

	2021-22	2020-21
	Rs.	Rs.
(i) Rental expense for small value or short-term operating leases	9,24,000	7,87,500
(ii) Interest on Lease Liabilities	2,00,823	2,24,044
(iii) Depreciation on Right of Use Assets	16,45,035	13,93,326
(iv) Rental income from operating leases	5,94,000	5,06,250

43. Segment Reporting

The Company is primarily engaged in the business of trading in engineering goods and related items, which as per Indian Accounting Standard-108 on 'Operating Segments' is considered to be the only reportable business segment. The Company is operating in India which is considered as a single geographical segment.

44. Disclosure of Related parties as per the requirement Ind AS 24

a) Companies / Enterprises in which Key Management Personnel having significant influence and with whom transactions have taken place during the year and/or where balances exist:

ANNUAL REPORT 2021 - 2022
CHANDNI MACHINES LIMITED

i) Candour Tectex Limited (Formerly known as Chandni Textiles Engineering Industries Limited)

b) Key Management Personnel:

- i) Mr. Jayesh R. Mehta – Managing Director
- ii) Mrs. Amita J. Mehta - Director
- iii) Mr. Bharat K. Shah – Director and Chief Financial Officer
- iv) Mr. Gourav Darak – Company Secretary & Compliance Officer (upto 30/11/2021)
- v) Neelam Devani – Company Secretary & Compliance officer (w.e.f. 01/12/2021)

c) Transactions during the year and Balance outstanding at the year end with related parties.

<u>Nature of Transactions</u>	<u>Key-management Personnel</u>		<u>Companies/Enterprises in which Key Management personnel have significant influences</u>	
	31-03-2022	31-03-2021	31-03-2022	31-03-2021
<u>Sale of goods</u>				
Candour Tectex Limited			4,34,373	1,64,00,000
<u>Rent / Compensation Paid</u>				
Candour Tectex Limited			9,24,000	7,87,500
<u>Rent Received</u>				
Candour Tectex Limited			5,94,000	5,06,250
<u>Director Remuneration</u>				
Mr.J.R.Mehta	5,40,000	4,86,000		
<u>Directors Sitting Fees</u>				
Mrs. Amita J. Mehta	20,000	25,000		
<u>Salary & Bonus</u>				
Mr. Gourav Darak	1,36,000	1,26,461		
Ms. Neelam Devani	60,000	NIL		

ANNUAL REPORT 2021 - 2022
CHANDNI MACHINES LIMITED

<u>Unsecured Loans repaid</u>				
Mr. J.R Mehta	3,00,000	48,50,000		
<u>Outstanding at the year end:-</u>				
i. Trade Payable				
Mr.J.R.Mehta	31,500	3,51,101		
ii. Trade Receivable				
Candour Tectex Limited			Nil	64,78,698
iii. Unsecured Loan				
Mr. J.R. Mehta	Nil	3,00,000		

45. Contingent liability

Claims against the Company not acknowledged as debts represent suits filed by parties and disputed by the Company Rs.22,58,385/- (Previous Year Rs. 22,58,385/-)

46. The outbreak of coronavirus (COVID-19) pandemic globally and in India is causing significant disturbance and slowdown of economic activity. The Company has assessed the impact of COVID-19 on all aspects of its business. The management has considered internal and external sources of information up to the date of approval of these standalone financial statements and exercised due care, in concluding on significant accounting judgments and estimates, in assessing the recoverability of receivables, inventories, impairment of assets, liquidity, financial position and operations of the Company, while preparing the financial statements as of and for the year ended 31st March 2022

Considering the uncertainties involved in estimating the impact of COVID-19 pandemic, the future impact of this pandemic may be different from those estimated as on the date of approval of these standalone financial statements. The Company will continue to closely monitor any material changes to future economic conditions which are subject to uncertainties that COVID-19 pandemic might pose on economic recovery.

ANNUAL REPORT 2021 - 2022
CHANDNI MACHINES LIMITED

47. Additional Regulatory Information (to the extent applicable) as per MCA's Notification no. G.S.R. 207(E) dated 24-03-2021:

Ratios						
Ratios	Numerator	Denominator	Current Year	Previous Year	Variation	Explanation for changes in ratio exceeding 25%
Current ratio (in times)	Total current assets	Total current liabilities	1.447	1.06	36.32%	Ratio has improved due to decrease in current liabilities due to better working capital management.
Debt-Equity ratio (in times)	Total debts	Shareholders' equity	0.00	0.0058	-100.00%	Reduction in debt to equity ratio is attributable to repayment of debt indicating improved cash flows and also to higher profits retained during the year
Debt service coverage ratio (in times)	Net Operating Income	Total debt service (Interest + Lease payments)	9.053	0.46	1869.12%	Higher debt service coverage ratio is on account of higher profit after tax during the year
Return on equity ratio (in %)	Earning for equity shareholder	Average shareholders' equity	26%	0.67%	3846.99%	Higher net profit has resulted in higher return on equity ratio
Inventory turnover ratio (in times)	Revenue from operations	Average inventory	44.440	9.24	380.78%	Ratio has improved as there is more than 245 % Increase in Revenue over previous year
Trade receivable turnover ratio (in times)	Revenue from operations	Average Trade receivable	13.374	2.71	393.07%	Reduction in average accounts receivable, reflecting faster collection of dues from debtors together with higher net credit sales is the reason for higher debtor turnover ratio
Trade payables turnover ratio (in times)	Total purchases	Average Trade payables	13.919	2.60	435.79%	Improvement in trade payable turnover ratio is attributable to higher credit purchases on the one hand and lower average trade payable on the other hand indicating quicker payment of dues to creditors
Net capital turnover ratio (in times)	Revenue from operations	Average working capital	49.092	18.16	170.28%	Ratio has improved because of better working capital management
Net profit ratio (in %)	Profit for the year	Revenue from operations	1.05%	0.079%	1220.69%	Higher sales and better margin has contributed to improved net profit margin
Return on capital employed (in %)	Profit before tax and finance costs	Capital Employed	31.51%	1.41%	2141.73%	Higher return on capital employed is on account of improved profitability represented by higher Earning before interest and tax
Return on investment (in %)	Income generated from invested funds	Average invested funds	0.000	0.00	-	Not Applicable

ANNUAL REPORT 2021 - 2022
CHANDNI MACHINES LIMITED

48. The previous year's figures are grouped / regrouped or arranged / rearranged wherever necessary to make them comparable with the current period's figures.

**For Ambavat Jain &
Associates LLP**

Chartered Accountants
ICAI FRN No: 109681W

On Behalf of the Board

Ashish J. Jain
Partner
Membership No. 111829

Sd/-
J.R. Mehta
Managing Director
DIN: 00193029

Sd/-
R.C. Garg
Director
DIN: 03346742

PLACE: MUMBAI

DATE: 30-05-2022

Sd/-
Neelam Devani
Company Secretary
Membership No. A47166

Sd/-
Bharat K. Shah
Chief Financial Officer
DIN: 08066115