

CDG[®]

Chandantara Dugar Group

CDG PETCHEM LIMITED

CDG PETCHEM LIMITED

10th Annual Report

2020-21

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Important Communication to Members

The Ministry of Corporate Affairs has taken a “Green Initiative in Corporate Governance” by allowing paperless compliance by Companies through electronic mode. In accordance with the circulars issued by the Ministry, Companies can now send various notices and documents including annual report, to its shareholders through electronic mode to the registered e-mail addresses of shareholders. To support this green initiative of the Government in full measure, members who have not registered their e-mail addresses, so far, are requested to register their e-mail addresses in respect of electronic holdings with the Depository through their concerned Depository Participants and in respect of physical holdings with the Company.



Chandantara Dugar Group

CDG PETCHEM LIMITED

CORPORATE INFORMATION

CIN	:	L51100TG2011PLC072532
Board of Directors		
Mr. Manoj Kumar Dugar	:	Chairman and Managing Director
Mr. Rajesh Chandanmal Dugar	:	Non- Executive Director
Smt. Renu Dugar	:	Non- Executive Woman Director
Mr. Naresh Kathotia	:	Independent Director
Mr. Arvind Surana	:	Independent Director
Mr. Dilip Kumar Surana	:	Independent Director
Company Secretary & Compliance Officer	:	Smt. Purva Palshikar (Appointed w.e.f 12.06.2021)
		Smt. Deepika Surekha (Resigned w.e.f 13.11.2020)
		Smt. Sonal Baheti (Resigned w.e.f 30.05.2021)
Chief Financial Officer	:	Mr. Vijay Gyanchand Jain (Appointed w.e.f 15.02.2021)
		Mr. Abhishek Kumar Sahal (Resigned w.e.f 15.02.2021)
Registered Office	:	Plot No 10 &11, MCH No 1-8-304 to 307, Pattigadda Road Hyderabad TG - 500003 Tel: 040-27909001, Fax: 040-27721360,
Auditors	:	M/s. Bhalotia & Associates, Chartered Accountants Dugar Arcade, 1-11-240/5/1, 1 st Floor, Shyam Lal Building, Begumpet, Secunderabad- 500016
Bankers	:	ICICI Bank, Khairatabad Branch. Kotak Mahindra Bank, Secunderabad Branch.

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 10th Annual General Meeting of the members of CDG Petchem Limited (Formerly known as Urbaknitt Fabs Limited)(CIN: L51100TG2011PLC072532) will be held on Wednesday, the 29th day of September, 2021 at 10.00 A.M through Video Conferencing (VC)/Other Audio-Visual Means (OAVM) at Registered Office of the Company situated at Plot No 10 &11, MCH No 1-8-304 to 307/, Pattigadda Road Hyderabad TG – 500003 to transact with or without modification(s), as may be permissible, the following items of business:

ORDINARY BUSINESS:

1. To receive, consider and adopt:
 - a) The Audited Financial Statements of the Company for the financial year ended 31st March, 2021, including the Audited Balance Sheet as at 31st March, 2021, the Statement of Profit & Loss and Cash Flow Statement for the year ended on that date and reports of the Board of Directors and Auditors there on.
 - b) The Audited Consolidated Financial Statements of the Company for the financial year ended 31st March, 2021, together with the Report of the Auditors thereon.
2. To appoint a director in place of Mr. Rajesh Chandanmal Dugar (DIN 00730059) who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

3. To enter into a sale transaction with M/s. Dugar Polymers Limited, a related party and if thought fit to pass with or without modification(s) the following resolution as Ordinary Resolution:

“RESOLVED THAT pursuant to Section 188 and other applicable provisions, if any, of the Companies Act, 2013 (Act), read with Rule 15 of the Companies (Meeting of Board and its powers) Rules, 2014, consent of the members be and is hereby accorded to Board to ratify all the existing transactions made with M/s. Dugar Polymers Limited, a related party and to enter into further transactions with respect to sale or supply of goods or materials upto a maximum limit of Rs.2,50,00,000/- (Rupees Two Crores and Fifty Lakhs Only) per annum for the year 2021-22.”

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to take such steps as may be necessary for obtaining approvals, statutory contractual or otherwise, in relation to the above and to settle all matters arising out of and incidental thereto, to sign and execute all deeds, applications, documents, and writings that may be required, on behalf of the Company and generally to do all acts, deeds, matters and things that may be necessary, proper, expedient or incidental thereto for purpose of giving effect to this Resolution.”

4. To enter into a sale transaction with M/s. Morbido Merchandise Private Limited, a related party and if thought fit to pass with or without modification(s) the following resolution as Ordinary Resolution:

“RESOLVED THAT pursuant to Section 188 and other applicable provisions, if any, of the Companies Act, 2013 (Act), read with Rule 15 of the Companies (Meeting of Board and its powers) Rules, 2014, Regulation 23 of SEBI (Listing Obligation and Disclosure Requirements), 2015, consent of the members be and is hereby accorded to Board to ratify all the existing transactions made with M/s. Morbido Merchandise Private Limited, a related party and to enter into further transactions with respect to sale or supply of goods or materials upto a maximum limit of Rs.5,00,00,000/- (Rupees Five Crores Only) per annum for the year 2021-22.”

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to take such steps as may be necessary for obtaining approvals, statutory contractual or otherwise, in relation to the above and to settle all matters arising out of and incidental thereto, to sign and execute all deeds, applications, documents, and writings that may be required, on behalf of the Company and generally to do all acts, deeds, matters and things that may be necessary, proper, expedient or incidental thereto for purpose of giving effect to this Resolution.”

5. To enter into a Purchase transaction with M/s. Dugar Polymers Limited, a related party and if thought fit to pass with or without modification(s) the following resolution as Ordinary Resolution:

“**RESOLVED THAT** pursuant to Section 188 and other applicable provisions, if any, of the Companies Act, 2013 (Act), read with Rule 15 of the Companies (Meeting of Board and its powers) Rules, 2014, consent of the members be and is hereby accorded to Board to ratify all the existing transactions made with M/s. Dugar Polymers Limited, a related party and to enter into further transactions with respect to Purchase of goods or materials upto a maximum limit of Rs.2,50,00,000/- (Rupees Two Crores and Fifty Lakhs Only) per annum for the year 2021-22.”

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to take such steps as may be necessary for obtaining approvals, statutory contractual or otherwise, in relation to the above and to settle all matters arising out of and incidental thereto, to sign and execute all deeds, applications, documents, and writings that may be required, on behalf of the Company and generally to do all acts, deeds, matters and things that may be necessary, proper, expedient or incidental thereto for purpose of giving effect to this Resolution.”

6. To enter into a Purchase transaction with M/s. Morbido Merchandise Private Limited, a related party and if thought fit to pass with or without modification(s) the following resolution as Ordinary Resolution:

“**RESOLVED THAT** pursuant to Section 188 and other applicable provisions, if any, of the Companies Act, 2013 (Act), read with Rule 15 of the Companies (Meeting of Board and its powers) Rules, 2014, Regulation 23 of SEBI (Listing Obligation and Disclosure Requirements), 2015, consent of the members be and is hereby accorded to Board to ratify all the existing transactions made with M/s. Morbido Merchandise Private Limited, a related party and to enter into further transactions with respect to Purchase of goods or materials upto a maximum limit of Rs.5,00,00,000/- (Rupees Five Crores Only) per annum for the year 2021-22.”

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to take such steps as may be necessary for obtaining approvals, statutory contractual or otherwise, in relation to the above and to settle all matters arising out of and incidental thereto, to sign and execute all deeds, applications, documents, and writings that may be required, on behalf of the Company and generally to do all acts, deeds, matters and things that may be necessary, proper, expedient or incidental thereto for purpose of giving effect to this Resolution.”

By Order of Board of Directors

Sd/-

Manoj Kumar Dugar
Managing Director
DIN : 00352733

Place: Hyderabad
Date:30.08.2021

NOTES:

1. In view of the COVID-19 pandemic, social distancing norms and pursuant to General Circular Nos. 14/2020, 17/2020, 20/2020 and 02/2021 dated 8th April 2020, 13th April 2020, 5th May 2020 and 13th January 2021, respectively issued by the Ministry of Corporate Affairs ('MCA') (collectively referred to as 'MCA Circulars') and Circular Nos. SEBI/HO/CFD/CMD1/CIR/P/2020/79 and SEBI/HO/CFD/ CMD2/CIR/ P/2021/11 dated 12th May 2020 and 15th January 2021, respectively issued by the Securities and Exchange Board of India (collectively referred to as 'SEBI Circulars'), the holding of the Annual General Meeting ('AGM') through VC/OAVM, without the physical presence of the Shareholders has been permitted. In compliance with the provisions of the Companies Act, 2013 ('the Act'), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('the Listing Regulations'), MCA Circulars and SEBI Circulars, the AGM of the Company is being held through VC/OAVM which does not require physical presence of Shareholders at a common venue. The proceedings of the AGM will be deemed to be conducted at the Registered Office of the Company which shall be the deemed Venue of the AGM.
2. 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 as well as the e-voting system on the date of the AGM will be provided by CDSL.
3. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available 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.
4. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
5. 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.
6. 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.cdgroup.in. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited at www.bseindia.com. 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) i.e. www.evotingindia.com.
7. 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 and MCA Circular No. 20/2020 dated May 05, 2020.
8. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.

Institutional/Corporate members are encouraged to attend and vote at the meeting through VC/OVAM. We also request them to send, a duly certified copy of the Board Resolution authorizing their representative to attend the AGM through VC/OAVM and vote through remote e-voting on its behalf at corporate@dugargroup.net pursuant to Section 113 of the Companies Act, 2013.

9. Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 relating to the Special Business in the Notice is annexed hereto and forms part of this Notice.
10. In case you are holding the Company's shares in dematerialized form, please contact your depository participant and give suitable instructions to update your bank details in your demat account and to notify any changes with respect to their addresses, E-Mail ID, ECS mandate.
11. In case you are holding Company's shares in physical form, please inform Company's RTA viz. CIL Securities Limited, Hyderabad having their address at "214 Raghava Ratna Towers, Chirag Ali Lane, Abids, Hyderabad – 500 001," by enclosing a photocopy of blank cancelled cheque of your bank account.
12. As per Regulation 40 of the Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from April 1, 2019, except in case of request received for transmission or transposition of securities.
13. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. M/s. CIL Securities Limited, Hyderabad having their address at "214 Raghava Ratna Towers, Chirag Ali Lane, Abids, Hyderabad – 500 001 are the Registrar & Share Transfer Agents (RTA) of the Company. All communications in respect of share transfers, dematerialization and change in the address of the members may be communicated to the RTA.
14. Members holding shares in the same name under different Ledger Folios are requested to apply for consolidation of such Folios and send the relevant share certificates to the RTA/Company.
15. Members who have not registered their E-Mail ID with the depository participants, are requested to register their E-Mail ID with their depository participants in respect of shares held in electronic form and in respect of shares held in physical form, are requested to submit their request with their valid E-Mail ID to our RTA at rta@cilsecurities.com or corporate@dugargroup.net for receiving all communications including annual report, notices, letters etc., in electronic mode from the Company.
16. Members who hold shares in physical form can nominate a person in respect of all the shares held by them singly or jointly. Members who hold shares in single name are advised, in their own interest to avail the nomination facility. Members holding shares in dematerialized form may contact their respective depository participant(s) for recording nomination in respect of their shares.
17. In case of Joint Holders attending the AGM, only such Joint Holder whose name appears first in the order of names will be entitled to vote.
18. Only bona fide members of the Company, whose name appear first on the Register of Members, will be permitted to attend the meeting through VC/OAVM. The Company reserves its right to take all necessary steps as may be deemed necessary to restrict non-members from attending the meeting.
19. Pursuant to the directions/notifications of Securities and Exchange Board of India (SEBI) and Depositories, the demat account holders can operate their accounts if they had already provided Income Tax Permanent Account Number either at the time of opening of the account or at any time subsequently. In case they have not furnished the Income Tax Permanent Account Number to the Depository Participants, such demat account holders are requested to contact their DPs with a photocopy of the PAN Card (with original PAN Card for verification), so that the frozen demat accounts would be available for operation and further consequences of

non-compliance with the aforesaid directives would be obviated. SEBI, vide Circular Ref.No.MRD/Dop/Cir-05/2009 dated May 20, 2009 made it mandatory to have PAN particulars for registration of physical share transfer requests. Based on the directive contained in the said circulars, all share transfer requests are therefore to be accompanied with PAN details. Members holding shares in physical form can submit their PAN details to the Company / RTA.

20. Members seeking any information or clarification on the accounts are requested to send their queries to the Company, in writing, at least 10 days before the date of the meeting. Replies will be provided in respect of such written queries at the meeting.
21. In compliance with the aforesaid MCA Circulars and SEBI Circular dated May 12, 2020, Notice of the AGM along with Annual Report 2020-21 is being sent only through electronic mode to those Members whose e-mail addresses are registered with the Company / Depository Participants.

Members may note that the Notice and the Annual Report 2020-21 will also be available at the Company's website: www.cdgroup.in, on the website of the Stock Exchanges i.e. BSE Limited at www.bseindia.com, and on the website of CDSL www.evotingindia.com.

All documents referred to in the accompanying Notice and the Statement pursuant to Section 102(1) of the Companies Act, 2013 shall be open for inspection in electronic mode by the Members by writing an e-mail to the Company Secretary at corporate@dugargroup.net

22. Since the AGM will be held through VC/OAVM, the Route Map is not annexed to the Notice.
26. Additional information pursuant to Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and pursuant to Secretarial Standards on general meetings, information in respect of the Directors seeking appointment/re-appointment at the Annual General Meeting is furnished in the annexure and forms part of the notice. The Directors have furnished the requisite consent / declaration for their appointment / re-appointment.
23. Members desiring inspection of statutory registers during the AGM may send their request in writing in advance to the Company at corporate@dugargroup.net
24. Members who wish to inspect the relevant documents referred to in the Notice can send an e-mail to corporate@dugargroup.net upto the date of the AGM.
25. The notice of Annual General Meeting will be sent to the members, whose name appears in the Register of members/ depositories as at closing hours of business on 27th August, 2021.
26. Register of Members and Share Transfer Books of the Company shall remain closed from 23rd **September, 2021 to 29th September, 2021** (both days inclusive) for AGM
27. The Members whose names appear in the Register of Members/ List of Beneficial Owners as on **Wednesday, 22ND September, 2021**(cut-off date), are entitled to vote on the resolutions set forth in this Notice.
28. The e-voting period will commence on Sunday, 26th September, 2021 (09:00 hrs) and will end on Tuesday, 28th September 2021 (17:00 hrs). During this period, shareholders of the Company holding shares either in physical form or in dematerialized form, as on the cut-off date may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. Members will not be able to cast their votes electronically beyond the date & time mentioned above. The Company has appointed Smt. Durga Bhavani Agarwal and Mr. M. Arun, partners of M/s. A.S.Ram Kumar & Associates, Company Secretaries, to act as Scrutinizer to conduct and scrutinize the electronic voting process of this Annual General Meeting in a fair and transparent manner. The members desiring to vote through electronic mode may refer to the detailed procedure on e-voting given hereunder.

E-VOTING

THE INTRUCTIONS OF SHAREHOLDERS FOR E-VOTING AND JOINING VIRTUAL MEETINGS ARE AS UNDER:

- (i) The voting period begins on Sunday, 26th September, 2021 (09:00 hrs) and will end on Tuesday, 28th September 2021 (17:00 hrs). 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 **Wednesday, 22ND September, 2021** 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 meeting venue.
- (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 e-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.

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

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL	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 evoting is in progress as per the information provided by company. On clicking the evoting 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.

	<p>3) If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration</p> <p>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 or click on https://evoting.cdslindia.com/Evoting/EvotingLogin 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 evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</p>
<p>Individual Shareholders holding securities in demat mode with NSDL</p>	<p>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 re-directed 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> <p>2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsd.com. Select “Register Online for IDeAS “Portal or click at https://eservices.nsd.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.nsd.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>
<p>Individual Shareholders (holding securities in demat mode) login through their Depository Participants</p>	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. 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.</p>

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website. Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. 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.
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

(v) Login method for e-Voting for **Physical shareholders and shareholders other than individual holding in Demat form.**

- 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
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. 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 Physical shareholders and other than individual shareholders holding shares in Demat.	
PAN	Enter your 10digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> • 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. <ul style="list-style-type: none"> • 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.

- (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.

- (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) **Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.**
- 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; corporate@dugargroup.net, 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 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 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 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 requesting advance at least **10 days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at company email id corporate@dugargroup.net. The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance **10 days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at company email id corporate@dugargroup.net 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 AGM.
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 corporate@dugargroup.net/ rta@cilsecurities.com.
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 E-Mail 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.

General Instructions:

- i. The voting rights of Members shall be in proportion to the shares held by them in the paid up equity share capital of the Company as on **Wednesday, 22ND September, 2021**.
- ii. The Scrutinizer, after scrutinizing the votes cast at the meeting through remote e-voting and during AGM will, not later than 48 hours from the conclusion of the Meeting, make a consolidated scrutinizer's report and submit the same to the Chairman. The results declared along with the consolidated scrutinizer's report shall be placed on the website of the Company www.cdgroup.in and on the website of CDSL www.cdslindia.com. The results shall simultaneously be communicated to the Bombay Stock Exchange.
- iii. The voting result will be announced by the Chairman or any other person authorized by him within two days of the AGM.

Place: Hyderabad
Date: 30.08.2021

By Order of Board of Directors

Sd/-

Manoj Kumar Dugar
Managing Director
DIN : 00352733

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 (1) OF THE COMPANIES ACT, 2013

ITEM NO. 3

In light of provisions of Section. 188(1) of the Companies Act, 2013 read with rules made thereunder, Audit Committee and board of directors of the company approved and recommended to the members for their approval with respect to the Sale transactions along with the annual limits that your company may enter with its related party i.e., M/s. Dugar Polymers Limited, for the financial year 2021-22.

All disclosures prescribed to be given under the provisions of the Companies Act, 2013 and the Companies (Meetings of Board and its powers) Rule, 2014 are provided in the table appended below the for the perusal of the members:

- (a) **Name of the related party:** M/s. Dugar Polymers Limited.
- (b) **Name(s) of the Directors/ KMP who is related, if any:**
 - a. Mr. Manoj Kumar Dugar
 - b. Mr. Rajesh Chandanmal Dugar
 - c. Mrs. Renu Dugar
- (c) **Nature of Relationship:** A Public company in which Mr. Manoj Kumar Dugar, Rajesh Chandanmal Dugar and Mrs. Renu Dugar are the directors holding more than 2% of shareholding.
- (d) **Nature of the transaction:** Sale of Goods or Materials
- (e) **Duration of the contract and particulars of the contract or arrangement:** One Year
- (f) **Monetary value:** 2,50,00,000/-
- (g) **Any other information relevant or important for the Board to take a decision on the proposed transaction:** Nil

Members are hereby informed that pursuant to second proviso of section 188(1) of the Companies Act, 2013, no member of the company shall vote on such ordinary resolution to approve any contract or arrangement, if such member is a related party.

Your directors recommend the resolution for your approval.

Following Directors of the Company are interested in this resolution.

1. Mr. Manoj Kumar Dugar
2. Mr. Rajesh Chandanmal Dugar
3. Mrs. Renu Dugar

ITEM NO. 4

In light of provisions of Section 188(1) of the Companies Act, 2013 read with rules made thereunder and Regulation 23 of the SEBI (Listing Obligation and Disclosure Requirements), 2015, Audit Committee and board of directors of the company approved and recommended to the members for their approval with respect to the Sale transactions along with the annual limits that your company may enter with its related party i.e., M/s. Morbido Merchandise Private Limited, for the financial year 2021-22

All disclosures prescribed to be given under the provisions of the Companies Act, 2013 and the Companies (Meetings of Board and its powers) Rule, 2014 are provided in the table appended below the for the perusal of the members:

- a) **Name of the related party:** M/s. Morbido Merchandise Private Limited.
- b) **Name(s) of the Directors/ KMP who is related, if any:**
 - a. Mr. Manoj Kumar Dugar
 - b. Mr. Rajesh Chandanmal Dugar
- c) **Nature of Relationship:** A Private company that has following common director.
 - a. Mr. Manoj Kumar Dugar
 - b. Mr. Rajesh Chandanmal Dugar
- d) **Nature of the Transaction:** Sale of Goods or material
- e) **Duration of the contract and particulars of the contract or arrangement:** One Year
- f) **Monetary value:** 5,00,00,000/-
- g) **Any other information relevant or important for the Board to take a decision on the proposed transaction:** Nil

Members are hereby informed that pursuant to second proviso of section 188(1) of the Companies Act, 2013, no member of the company shall vote on such ordinary resolution to approve any contract or arrangement, if such member is a related party.

Your Board recommended the resolution to members for their approval
Following Directors of the Company are interested in this resolution.

1. Mr. Manoj Kumar Dugar
2. Mr. Rajesh Chandanmal Dugar

ITEM NO. 5

In light of provisions of Section. 188(1) of the Companies Act, 2013 read with rules made thereunder, Audit Committee and board of directors of the company approved and recommended to the members for their approval with respect to the Purchase transactions along with the annual limits that your company may enter with its related party i.e., M/s. Dugar Polymers Limited, for the financial year 2021-22.

All disclosures prescribed to be given under the provisions of the Companies Act, 2013 and the Companies (Meetings of Board and its powers) Rule, 2014 are provided in the table appended below the for the perusal of the members:

- (a) **Name of the related party:** M/s. Dugar Polymers Limited.
- (b) **Name(s) of the Directors/ KMP who is related, if any:**
 - a. Mr. Manoj Kumar Dugar
 - b. Mr. Rajesh Chandanmal Dugar
 - c. Mrs. Renu Dugar
- (c) **Nature of Relationship:** A Public company in which Mr. Manoj Kumar Dugar, Rajesh Chandanmal Dugar and Mrs. Renu Dugar are the directors holding more than 2% of shareholding.
- (d) **Nature of the transaction:** Purchase of Goods or Materials
- (e) **Duration of the contract and particulars of the contract or arrangement:** One Year
- (f) **Monetary value:** 2,50,00,000/-
- (g) **Any other information relevant or important for the Board to take a decision on the proposed transaction:** Nil

Members are hereby informed that pursuant to second proviso of section 188(1) of the Companies Act, 2013, no member of the company shall vote on such ordinary resolution to approve any contract or arrangement, if such member is a related party.

Your directors recommend the resolution for your approval.
Following Directors of the Company are interested in this resolution.

- 1. Mr. Manoj Kumar Dugar
- 2. Mr. Rajesh Chandanmal Dugar
- 3. Mrs. Renu Dugar

ITEM NO. 6

In light of provisions of Section 188(1) of the Companies Act, 2013 read with rules made thereunder and Regulation 23 of the SEBI (Listing Obligation and Disclosure Requirements), 2015, Audit Committee and board of directors of the company approved and recommended to the members for their approval with respect to the Purchase transactions along with the annual limits that your company may enter with its related party i.e., M/s. Morbido Merchandise Private Limited, for the financial year 2021-22

All disclosures prescribed to be given under the provisions of the Companies Act, 2013 and the Companies (Meetings of Board and its powers) Rule, 2014 are provided in the table appended below the for the perusal of the members:

- a. Name of the related party: M/s. Morbido Merchandise Private Limited.
- b. Name(s) of the Directors/ KMP who is related, if any:
 - Mr. Manoj Kumar Dugar
 - Mr. Rajesh Chandanmal Dugar
- c. **Nature of Relationship:** A Private company that has following common director.
 - Mr. Manoj Kumar Dugar
 - Mr. Rajesh Chandanmal Dugar
- d. **Nature of the Transaction:** Purchase of Goods or material
- e. **Duration of the contract and particulars of the contract or arrangement:** One Year
- f. **Monetary value:** 5,00,00,000/-
- g. **Any other information relevant or important for the Board to take a decision on the proposed transaction:** Nil

Members are hereby informed that pursuant to second proviso of section 188(1) of the Companies Act, 2013, no member of the company shall vote on such ordinary resolution to approve any contract or arrangement, if such member is a related party.

Your Board recommended the resolution to members for their approval

Following Directors of the Company are interested in this resolution.

1. Mr. Manoj Kumar Dugar
2. Mr. Rajesh Chandanmal Dugar

Place: Hyderabad
Date: 30.08.2021

By Order of Board of Directors
Sd/-
Manoj Kumar Dugar
Managing Director
DIN : 00352733

DETAILS OF DIRECTORS SEEKING APPOINTMENT/ RE-APPOINTMENT AT THE FORTHCOMING ANNUAL GENERAL MEETING

[Pursuant to Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards-2 of General Meetings]

Name of the Director	Rajesh Chandanmal Dugar
Date of Birth & Age	23/11/1973, 49 years
Date of Appointment	29/08/2016
Qualifications	Graduate
Relationship between Directors inter-se	Brother of Mr. Manoj Kumar Dugar, Chairman and Managing Director of the Company and brother in law of Mrs. Renu Dugar, Non-executive women director of the company.
Expertise in specific functional area	Finance and Administration
Directorship in other listed companies	Nil
Remuneration Drawn For the FY 2020-2021	Nil
Shareholding as on 31.03.2021	2,76,975

DIRECTORS' REPORT

To
The Members,

Your Directors have pleasure in presenting the 10th Annual Report together with the Audited Financial Statements for the Financial Year ended 31st March, 2021

FINANCIAL RESULTS:

The performance of the Company for the financial year ended 31st March, 2021 is summarized below:

(in INR)

Particulars	Standalone		Consolidated	
	2020-2021	2019-2020	2020-2021	2019-2020
Revenue from Operations	15,45,25,905	20,13,44,521	39,41,34,321	89,39,54,859
Other income	22,33,027	19,46,743	1,59,94,872	1,22,91,887
Profit Before Interest, Depreciation & Tax	46,92,391	80,66,988	1,92,88,597	2,64,75,857
Interest	57,25,786	32,32,437	1,56,36,919	1,28,93,102
Depreciation	28,51,748	25,48,444	33,61,845	29,56,201
Profit before Tax	(36,33,141)	22,86,107	2,89,833	1,06,26,554
Current Tax	-	3,77,088	13,46,531	25,85,746
Deferred Tax	465,344	2,50,366	4,37,086	2,69,090
Income Tax relating to previous year	22,956	--	23,681	24,312
MAT credit Entitlement	--	3,77,088	-	3,77,088
Total Tax Expense	488,300	2,50,366	18,07,298	25,02,060
Net Profit/(Loss) for the period after tax	(41,21,440)	20,35,740	(15,17,464)	81,24,494
Number of shares	30,77,500	30,77,500	30,77,500	30,77,500
Earnings per share	(1.34)	0.66	(0.49)	2.64

OVERVIEW OF FINANCIAL PERFORMANCE

Standalone basis:

During the year, your Company achieved a total revenue of Rs 1567.59 lakhs as against the previous year total revenue of Rs. 2032.91 lakhs a decrease of 22.88%.

Net Loss of the Company for the year ended 31.03.2021 is Rs. (41.21) lakhs as against the previous year profit of Rs.20.36 lakhs.

Consolidated basis:

During the year, your Company achieved a total revenue of Rs 4101.29 lakhs as against the previous year total revenue of Rs. 9062.46 lakhs a decrease of 54.74%.

Profit/ (Loss) of the Company for the year ended 31.03.2021 is Rs. (1517.46) lakhs as against the previous year profit of Rs. 8124.49Lakhs, depicting a decline of 118.67 %.

During the year under review, there is no change in the nature of the business of the Company. The affairs of the Company are conducted in accordance with the accepted business practices and within the purview of the applicable legislations.

COVID-19 AND ITS IMPACT

There is material impact on the Company for the financial year 2020-2021.

OUTLOOK FOR THE CURRENT YEAR

Your Board of Directors has initiated various strategic moves to overcome the competition. Also, to de-risk the dependence on few core verticals the Company has identified and is investing on new opportunities. Further, the Company is also taking measures to keep the operating cost low wherever possible.

DIVIDEND

The Board, in view of conserving the financial resources and the risk of business ahead due to COVID 19, has not recommended any dividend for the year.

TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND

During the year, Company has not transferred the unclaimed dividend to Investor Education and Protection Fund.

MATERIAL CHANGES AND COMMITMENTS

There were no material changes and commitments affecting the financial position of the Company that have occurred between the end of the Financial Year 2020-2021 of the Company and the date of the report.

TRANSFER TO RESERVES

During the year under review, Company has transferred the entire loss of Rs.41,21,440 to Reserve & Surplus.

DEPOSITS

The Company has not accepted any fixed deposits from the public and no amount of principal or interest on public deposits was outstanding as on the balance sheet date, within the meaning of section 73 and 74(1) of the Companies Act 2013, read with Companies (Acceptance of Deposits) Rules, 2014, during the period under review.

SHARE CAPITAL

There is no change in the share capital during the year. The authorised share capital of the Company as on date of Balance Sheet is 5,00,00,000/- divided into 50,00,000 equity shares of Rs. 10/- each.

The paid-up share capital of the Company as on date of balance sheet is Rs. 3,07,75,000/- (Rupees Three Crores Seven Lakhs Seventy Five Thousand Only) divided into 30,77,500 equity shares of Rs.10/- each.

DETAILS OF CHANGES IN DIRECTORS AND KMP

- In accordance with the provisions of the Companies Act, 2013 and the Articles of Association of the Company, Sri Rajesh Chandanmal Dugar, Director of the Company, will retire by rotation at the ensuing Annual General Meeting and being eligible, has offered himself for re-appointment. The Board recommends his re-appointment.
- Mr. Abhishek Kumar Sahal has resigned as Chief Financial Officer of the Company w.e.f 15th February, 2021
- Mr. Vijay Gyanchand Jain has been appointed as Chief Financial Officer of the Company with effect from 15th February, 2021
- Ms. Deepika Surekha has resigned as Company Secretary and Compliance Officer of the company with effect from 30th November, 2020

- Ms. Sonal Baheti has resigned as Company Secretary and Compliance Officer of the company with effect from 30th May, 2021
- Ms. Purva Palshikar has been appointed as Company Secretary and Compliance officer of the Company with effect from 12th June, 2021

BOARD MEETINGS

The Board met Six (6) times during the Financial Year. The meeting details are provided in the corporate governance report that forms part of this Annual Report. The maximum interval between any two meetings did not exceed 120 days, as prescribed in the Companies Act, 2013.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The Management Discussion and Analysis as required by the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) is incorporated herein by reference and forms an integral part of this report as **Annexure -I**.

ANNUAL RETURN

Pursuant to Section 134(3) of the Companies Act, 2013, copy of the annual return shall be hosted at the website of the company i.e. www.cdgroup.in.

CORPORATE GOVERNANCE REPORT

Your Company's philosophy on Corporate Governance sets the goal of achieving the highest level of transparency with integrity in all its dealings with its stakeholders including shareholders, employees, lenders and others. A report on Corporate Governance along with a Certificate from the practicing Company Secretary regarding the Compliance of Conditions of Corporate Governance as stipulated under the Listing Regulations forms part of the Annual Report as **Annexure -II**.

COMMITTEES OF THE BOARD

Audit Committee

The Company has constituted Audit Committee pursuant to the provisions of Companies Act, 2013. The scope and function of the Audit Committee is in accordance with Section 177 of the Companies Act, 2013. The members of the Audit Committee as on 31st March 2021 are:

Shri. Naresh Kathotia	- Chairman
Shri. Manoj Kumar Dugar	- Member
Shri. Dilip Kumar Surana	- Member

None of the recommendations made by the Audit Committee were rejected by the Board. During the year under review, the Audit Committee had met 4 times.

The details of the Committees of the Board viz., Audit Committee, Nomination and Remuneration Committee, and Stakeholders Relationship Committee are reported in the Report on Corporate Governance, which forms part of the Board's Report.

MEETING OF INDEPENDENT DIRECTORS

The details of the separate meeting of the Independent Directors are reported in the Report on Corporate Governance, which forms part of the Board's Report.

STATEMENT ON DECLARATION GIVEN BY INDEPENDENT DIRECTORS UNDER SUB-SECTION (6) OF SECTION 149

The Independent Directors have submitted their disclosures to the Board that they fulfill all the requirements as stipulated in Section 149 of the Companies Act, 2013 so as to qualify themselves to be appointed as Independent Directors under the provisions of the Companies Act, 2013 and the relevant rules.

FAMILIARIZATION PROGRAMME FOR INDEPENDENT DIRECTORS

All Independent Directors (IDs) inducted into the Board are presented with an overview of the Company's business operations, products, organization structures and about the Board constitution and its procedures. A policy on familiarization program for IDs has also been adopted by the Company and also posted on the website of the Company i.e., www.cdgroup.in. More details are provided in the corporate governance report which forms part of this Annual Report.

ANNUAL EVALUATION OF BOARD PERFORMANCE AND PERFORMANCE OF ITS COMMITTEES AND OF DIRECTORS

Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has carried out the annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Audit and other Committees.

A structured questionnaire was prepared after taking into consideration inputs received from the Directors, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance.

A separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board, who were evaluated on parameters such as level of engagement and contribution, independence of judgments, safeguarding the interest of the Company and its minority shareholders etc. The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Chairman and the Non-Independent Directors was carried out by the Independent Directors who also reviewed the performance of the Secretarial Department. The Directors expressed their satisfaction with the evaluation process.

POLICY ON DIRECTOR'S AND KEY MANAGERIAL PERSONNEL APPOINTMENT & REMUNERATION:

Your company adopted the policy on Director's Appointment & Remuneration. The objective of the policy is to ensure that Executive Directors and other employees are sufficiently compensated for their performance. The Policy seeks to provide criteria for determining qualifications, positive attributes, and independence of a director and also recommend a policy relating to the remuneration for the directors and key managerial personnel. Policy is available at www.cdgroup.in

VIGIL MECHANISM / WHISTLE BLOWER POLICY

The Company has a Whistle Blower Policy framed to deal with instance of fraud and mismanagement if any, the details of the Policy are explained in the Corporate Governance Report and also posted on the website of the Company i.e., www.cdgroup.in

RISK MANAGEMENT POLICY

In terms of the requirement of Section 134(3)(n) of the Companies Act, 2013, the Company has developed and implemented the Risk Management Policy. Your Company believes that managing risks helps in maximizing returns. The Company's approach to addressing business risks is comprehensive and includes periodic review of such risks and a framework for mitigating risks and reporting mechanism of such risks. The risk management framework is reviewed periodically by the Board. The details of the Policy is available on the website of the Company i.e., www.cdgroup.in

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT, 2013

There were no loans, guarantees or investments made by the Company under Section 186 of the Companies Act, 2013, during the year under review and hence the said provisions are not applicable.

RELATED PARTY TRANSACTIONS

All the transactions entered with related parties are on arm's length basis. Detailed Information on transactions on related parties pursuant to section 134(3) (h) of the Act read with rule 8(2) of the Companies (Accounts) Rules, 2014 are given in **Annexure-III** in Form AOC-2 to this report.

The policy on Related Party Transactions as approved by the Board is available on the website of the Company at www.cdgroup.in.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(5) of the Companies Act, 2013, your Directors confirm that to the best of their knowledge and belief and according to the information and explanation obtained by them,

1. In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
2. Such accounting policies as mentioned in the notes to the financial statements have been selected and applied consistently and judgments and estimates that are reasonable and prudent made so as to give a true and fair view of the state of affairs of the company at the end of the Financial Year 2020-2021 and of the profit or loss of the Company for that period;
3. Proper and sufficient care has been taken 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;
4. The annual accounts for the year 2020-2021 have been prepared on a going concern basis;
5. That proper internal financial controls were in place and that the financial controls were adequate and were operating effectively;
6. That systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

INFORMATION ABOUT SUBSIDIARY / JOINT VENTURES / ASSOCIATE COMPANIES

Subsidiary Company

Morbido Merchandise Private Limited, a wholly owned subsidiary of the Company, reported a Net revenue of Rs.29,69,14,455.00 with profit of Rs.26,03,976.00 for the financial year ended March 31, 2021.

Consolidated Financial Results

In accordance with the provisions of the Companies Act, 2013, ('the Act'), Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') and applicable Accounting Standards, the audited consolidated financial statements (CFS) of the company for the financial year 2020-21, together with Auditors Report thereon forms part of the Annual Report. A statement showing the salient features of the financial statements of the subsidiaries, associates and joint ventures in the prescribed Form AOC-1 is enclosed as "**Annexure-IV**" to this report. During the year under review, no company has become or ceased as Subsidiary / Joint Venture / Associate Companies.

AUDITORS

STATUTORY AUDITORS

M/s. Bhalotia & Associates., Chartered Accountants, Hyderabad, (Firm Reg No. 325040E), Statutory Auditors were appointed as Statutory Auditors of the Company at 9th Annual General meeting for a period of Five(5) years.

INTERNAL AUDITORS

The Board of Directors based on the recommendation of the Audit Committee have appointed M/s. Affinity Global Services Private Limited., Chartered Accountants, as the Internal Auditors of your Company for FY 2020-2021. The Internal Auditors have submitted their reports.

INTERNAL CONTROL SYSTEMS & THEIR ADEQUACY

The Board has adopted policies and procedures for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, safeguarding of its assets, prevention and detection of frauds and errors, accuracy and completeness of the accounting records, and timely preparation of reliable financial disclosures.

C) SECRETARIAL AUDITORS

The Board has appointed M/s. A.S Ram Kumar & Associates, Company Secretaries in practice, to carry the Secretarial Audit under the provisions of section 204 of the Companies Act, 2013 for the Financial Year 2020-2021. The Report of the Secretarial Auditor is annexed to this report as **Annexure -VII**.

Extract of Observations:

Observation/Qualification	Explanation by the company
Whereas in terms of Regulation 24(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, to the extent of appointment of Independent Director on the Board of Material non-listed Indian Subsidiary is complied on 25.03.2021.	The Company has complied the provision by appointing the independent director in its material subsidiary on 25.03.2021
Whereas in terms of Regulation 47(1)(a) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, to the extent of publication of notice of meeting of the Board of Directors where financial results shall be discussed not complied for June and September, 2020 quarters	Due to COVID-19 Pandemic, the company could not publish the same and however, the company complied the same thereafter
Whereas in terms of Regulation 47(1)(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, to the extent of publication of financial results for the quarter June 2020 not complied	Due to COVID-19 Pandemic, the company could not publish the same and however, the company complied the same thereafter.
Whereas delay in payment of Professional Tax for October & December 2020, Non-payment of Professional tax on Director Remuneration & Tax on company, attracting Rule 17 of Professional Tax act 1987	Due to pandemic, Compliance is not been made. However, it has been rectified.
Where as in terms of 24A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Secretarial Audit for financial year 2019-2020 for its material subsidiary company Morbido Merchandise Private Limited was not conducted.	The company has complied the said provision for the reporting period by appointing the secretarial auditors for conducting the secretarial audit of its material subsidiary.
Whereas in terms of Section 139(8) of Companies Act, 2013, in case of causal vacancy of auditor due to resignation, such casual vacancy shall be filled by appointment of new auditor by the approval of members who shall hold office up to the conclusion of next annual General Meeting. However, the appointment in the reporting company has been made for a period of 5 (five) years.	Due to oversight, the appointment has been made for a period of five years.

AUDITORS REPORT

The observations made in the Auditors' Report are self-explanatory and therefore, do not call for any further comment's u/s 134 of the Companies Act, 2013.

COMMENTS ON AUDITOR REPORT

There are no adverse comments by the Auditor in the Audit Report and hence comments by Board of Directors of the Company on Auditor Report are not required.

PREVENTION OF SEXUAL HARASSMENT POLICY

The Company's policy on prevention of sexual harassment of women provides for the protection of women employees at the work place and for prevention and redressal of such complaints. An Internal Complaints Committee has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy.

The Company has not received any complaint on sexual harassment during the year.

CORPORATE SOCIAL RESPONSIBILITY (CSR):

During the year under review, the provisions of Sec 135 of the Companies Act, 2013 are not applicable to your company.

ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The particulars relating to conservation of energy, Technology absorption, foreign exchange earnings and outgo, as required to be disclosed under the act are provided in **Annexure-VI** to the Board Report

PARTICULARS OF EMPLOYEES

The information required under Section 197 of the Act and the Rules made there under, in respect of employees of the Company has been disclosed in **Annexure - V**.

MAINTENANCE OF COST RECORDS

Maintenance of Cost records is not applicable to the Company.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

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

HUMAN RESOURCES

Your Company considers its Human Resources as the key to achieve its objectives. Keeping this in view, your Company takes utmost care to attract and retain quality employees. The employees are sufficiently empowered and such work environment propels them to achieve higher levels of performance. The unflinching commitment of the employees is the driving force behind the Company's vision. Your Company appreciates the spirit of its dedicated employees.

SECRETARIAL STANDARDS

The Company has complied with the secretarial standards issued by Institute of Company Secretaries of India.

ESOP & SWEAT EQUITY SHARES:

During the year under review, your Company has not issued any share under Employee Stock Options scheme or as Sweat equity shares to it Employees, Key Managerial Persons.

PAYMENT OF SITTING FEE

During the year under review, your Company has not paid any amount of Sitting Fees to its Directors for attending the Board meetings.

DIRECTORS APPOINTMENT AND REMUNERATION INCLUDING OTHER MATTERS PROVIDED UNDER SECTION 178(1) OF COMPANIES ACT 2013.

This section is not applicable to your company. During the period under review Appointment and Remuneration including other matters under section 178(1) is taken care by Board of Directors of the Company.

ACKNOWLEDGMENTS

Your Directors take this opportunity to express their sincere appreciation to the shareholders, customers, bankers, suppliers and other business associates for the excellent support and co-operation extended by them.

Your Directors gratefully acknowledge the ongoing co-operation and support provided by the Central and State Governments, Stock Exchanges, SEBI, RBI and other Regulatory Bodies.

We place on record our appreciation of the contribution made by employees at all levels. Our consistent performance was made possible by their hard work, solidarity, co-operation and support.

By Order of Board of Directors

Place: Hyderabad
Date: 30TH August, 2021

Sd/-
Manoj Kumar Dugar
Managing Director
DIN : 00352733

Sd/-
Rajesh Chandanmal Dugar
Director
DIN : 00730059

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

a) **Industry Structure & Development**

CDG Petchem Limited (Formerly Known as Urbaknitt Fabs Ltd) founded by a team of professional entrepreneurs & qualified experts with the main objective to supply high quality product services to the discerning clients. It will be a leading business entity in India engaged in the activities Merchant Export & Third country Trade, Imports – Marketing & Distribution of Mats / Mattresses, Insulation Sheet and Pillows.

Your Company has diversified its business profile through its 100% subsidiary company (Morbido Merchandise Private Limited) for the purpose of Imports – Marketing & Distribution Services of world class products (Chemicals) to several industries ranging from Plastics, Polymers, Construction, and Paint etc. It also offers to our Indian customers a broad range of products from leading producers located worldwide through Imports, Marketing & Distribution of multinational company.

The subsidiary Company will participate in growth of CDG Petchem Limited by expanding its customer base of Chemicals to several industries ranging from Plastics, Polymers, Construction, and Paint etc. with international collaborations.

b) **Opportunities**

The Indian Plastic Industry clearly has the potential to continue its fast growth. It is expanding at a phenomenal pace, with plastic being significantly used in innovating new applications in industries like food processing, packing, healthcare thereby increasing demand for plastic altogether.

The industry has many growth opportunities owing to the wide applicability of Plastic / disposable products. The Demand for companies Products has been constantly on an increase in the market.

c) **Threats, Risks & Concerns**

Investors should read the Risk Factors mentioned in this Information Memorandum.

Over the next few years, competition in the industry is also expected to rise considerably, as a result of Global trends. To survive competition both polymer manufacturer and processors will need to adopt radically new methods and approaches to reduce costs, improve market and customer services and management performance.

The international oil Prices have been constantly fluctuating leading to up and down in raw material prices.

The threats/ risks for the industry relate to stiff competition throughout and lesser margins. The same can gradually overcome by the industry in view of the wide usage of the PP products and also growing of demand with new technologies to reduce costs to become more competitive.

d) **Segment wise performance**

The segment wise performance is not applicable as the company has only one segment.

e) **Outlook**

The Company is expecting a growth rate as well as stabilization of production of PP Disposable wares and reaches optimum capacity utilization. The company is expecting high growth rate in this area.

f) **Discussion on financial performance with respect to operational performance**

During the year under review, the standalone turnover for the current year is 1545.25 lakhs as against 2013.44 lakhs in the previous year. During the Year the company's Loss before tax is (36.33) lakhs as against a profit of 22.86 lakhs in the previous year.

g) **Internal Control system and their adequacy**

The Company has an internal control system commensurate with the size and nature of its business. There is a proper and adequate system of internal controls to ensure that all activities are monitored and controlled against unauthorized use or disposition of assets. The Company ensures adherence to all internal control policies and procedures as well as compliance with all regulatory guidelines.

The Audit Committee supervises the checks and controls exercised, and reports any suggestions or deviation on a continuing basis. The authority and responsibility of every employee is defined, thus, leaving no space for any deviations.

h) **Material developments in Human Resources/Industrial Relation front, including number of people employed**

The focus is on capability development, performance management and employee engagement. This is expected to improve cost competitiveness through greater levels of employee participation, commitment and involvement.

The Company recognizes the importance and contribution of its employees to the growth and development of the Company. The Company continued to maintain cordial relations with employees and staff. The Company has 3 employees on the rolls, as on 31st March 2021.

II. Financial /operational performance:

Sources of Funds

1. Share capital

The Company has only one class of shares- equity shares of par value Rs. 10/- each. Our Authorised share capital is Rs. 5,00,00,000 (50,00,000 shares of Rs. 10/- each) and issued and paid-up capital is Rs.3,07,75,000(30,77,500 shares of Rs. 10/- each)

2. Reserves and Surplus

At the beginning of the year the company has Reserves as follows:

Share Premium Nil, General Reserve Nil and debit balance of Profit and Loss Account of (Rs. 39,66,590/-) and at the end it was (Rs. 80,88,030)

Application of Funds

3. Fixed Assets

During the year under review company has incurred amounting to 4,01,09,963/- as capital expenditure.

4. Deferred taxes – Assets and Liabilities

The Company has Deferred Tax Liability (Net) amounting to Rs. 16,92,228/- as against a liability of Rs. 12,26,885/- in previous year, attributable to difference between depreciation as per companies act 2013 and Income Tax Act- 1961

5. Trade Receivables

During the year the company has trade receivables of Rs. 5,77,42,093/- as against Rs. 2,60,46,127/- in previous year.

6. Inventories

During the year the company has inventories are Rs. 1,84,97,001/- as against of Rs. 1,91,28,203/- in previous year.

7. Cash and Cash Equivalents

The opening balance of cash and cash equivalents as at the beginning of the year is Rs. 2,31,383/-. The closing balance of Cash and Cash Equivalents is Rs. 8,90,676/- held as cash, balances in current account and in deposit accounts.

8. Liabilities

The company has Rs. 3,20,26,695/- as long term borrowings as on 31st March, 2021.

9. Trade Payables

Trade payables at the beginning of the year were at Rs. 1,57,98,113/- and at the end of the year were Rs. 5,77,50,910/-.

10. Provisions for expenses

During the year the company has provisions of Rs. 3,68,765 /- as against Rs.3,37,948/- in previous year.

III . Results of Operations

1. Income

The Company has generated income from business operations of Rs. 15,45,25,905/-.

2. Other Income

Other income of the company includes interest income, commission, profit on sale of asset, rent and discount is Rs. 22,33,027/-

3. Net Profit

The company had reported a Net Loss of Rs. (41,21,440)/- as against a Net Profit of Rs 20,35,740/- in the previous period.

4. EPS

Earnings per share for the year was -1.34 as against 0.66 in the previous year.

5. Liquidity

The Company has adequate working capital and is not depended on external resources for filling up of the gap.

6. Related Party Transactions

Transactions with related parties have been made at an arm's length basis and hence are not prejudicial to the interest of the company.

These have been discussed in detail in Notes on Accounts to the standalone financial statements in this Annual report.

IV. Opportunities and Threats

We compete with small and mid-sized companies and other large corporations in Manufacturing Sector.

V. Outlook, Risks & Concerns

- Our revenue and expenses are difficult to predict and can vary significantly from period to period.

- Our success largely depend upon retaining skilled technology professionals and our ability to hire, motivate and retain them.
- We are a company in mid segment space and provide adequate confidence to companies / customers for long term contracts.
- Our success depends on our management team and key personnel and our ability to attract and retain them.
- To complete fixed price and fixed time frame contracts or transaction based pricing contracts within budget and on time may adversely affect our profitability.
- We may not be able to provide end to end business solutions for our clients which could lead to clients discontinuing their work with us which in turn could impact our business.

VI. Internal Control Systems and their adequacies

The CEO and CFO certification provided in the Annual report discusses the adequacy of our internal control systems and procedures.

VII. Material Developments in Human Resources / industrial relations, number of people employed.

Human Capital

As at March 31st 2021, the company has employed sufficient number of employees to cover all the aspects of business administration, business management and development at par with the business norms keeping in mind the growth of the company.

Risk Management Framework:

In today's economic environment, Risk Management is a very important part of business. The main aim of risk management is to identify, monitor and take precautionary measures in respect of the events that may pose risks for the business. Your Company's Board believes that to ensure sustainable business growth with stability of affairs and operations of the Company, periodical review of various risks having a bearing on the business and operations is vital to proactively manage uncertainty and changes in the internal and external environment to limit negative impacts and capitalize on opportunities. Further, it is also belief of your management that Risk Management Framework enables a systematic approach to risk identification, leverage of any opportunities and provides treatment strategies to manage, transfer and avoid or minimize the impact of the risks.

Keeping in view of the above, your Company's risk management is embedded in the continuous business processes and as a part of review of business and operations, your Board with the help of the management periodically reviews various risks associated with the business and products of the Company and considers appropriate risk mitigation process. However there are certain risks which cannot be avoided but the impact can only be minimized.

The risks and concerns associated with the segment of your company's business are discussed while reviewing segment-wise Management and Discussion Analysis. The other risks that the management reviews also include:

- a. **Industry & Services Risk:** this includes Economic risks like demand and supply chain, Profitability, Gestation period etc.; Services risk like infrastructure facilities; Market risk like consumer preferences and distribution channel etc.; Business dynamics like inflation/deflation etc.; Competition risks like cost effectiveness
- b. **Management and Operational Risk:** this includes Risks to Property; Clear and well defined work process; changes in technology / up gradation; R&D Risks; Agency network Risks; Personnel & labour turnover Risk; Environmental and Pollution Control Regulations etc.; Locational benefits near metros
- c. **Market Risk:** this includes Raw Material rates; Quantities, quality, suppliers, lead time, interest rates risk and forex risk.
- d. **Political Risk:** this includes Elections; War risk; Country/Area Risk; Insurance risk like Fire, strikes, riots and civil commotion, marine risk, cargo risk etc.; Fiscal/Monetary Policy Risk including Taxation risk.
- e. **Credit Risk:** this includes Creditworthiness; Risk in settlement of dues by clients and Provisions for doubtful and bad debts

- f. **Liquidity Risk:** this includes risks like Financial solvency and liquidity; Borrowing limits, delays; Cash/Reserve management risks and Tax risks
- g. **Disaster Risk:** this includes Natural calamities like fires, floods, earthquakes etc.; Man made risk factors arising under the Factories Act, Mines Act etc.; Risk of failure of effective disaster Management plans formulated by the Company.
- h. **System Risk:** this includes System capacities; System reliability; Obsolescence risk; Data Integrity risk & Co-ordination and Interface risk.
- i. **Legal Risk:** this includes Contract risk; Contractual liability; Frauds; Judicial Risk and Insurance risk
- j. **Government Policy:** This includes Exemptions, import licenses, income tax and sales tax holidays, subsidies, tax benefits etc. Further your Board has constituted a Risk Management Committee, inter-alia, to monitor and review the risk management framework.

Ratios:

S. No	Particulars		2020-21	2019-20	Improvement / (Deterioration)
1.	Debtors Turnover	Debtors/Revenue from Operation (Days)	2.68	7.73	(5.05)
2.	Inventory Turnover	Cost of goods sold/Average Inventory	7.23	9.44	(2.21)
3.	Interest Coverage Ratio	Earnings before Interest and Tax(EBIT)/Interest	0.34	1.71	(1.37)
4.	Current Ratio	Current Assets/Current Liabilities	1.21	2.10	(0.89)
5.	Debt Equity Ratio	Total Outside Liabilities/Shareholders Equity	1.41	1.22	0.19
6.	Operating Profit Margin	Operating Profit or EBIT/Sales	0.01	0.03	(0.02)
7.	Net Profit Margin	Net Profit/ Sales	-0.03	0.01	(0.04)
8.	Return on Net worth	Net profit/ Shareholders Equity	-0.18	0.08	(0.26)

CAUTIONARY STATEMENT

Statements in Management Discussion and Analysis describing the Company' objectives, projections, estimates and expectation may be "forward looking" within the meaning of applicable laws and regulations. Actual results might differ materially from those expressed or implied in the statement.

REPORT ON CORPORATE GOVERNANCE

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

Name of the Director(s)	Category	Designation	No. of shares held in the Company	Qualification/Expertise/ Skills	Names of the listed entities where the person is a director and the category of Directorship (except this entity)
Mr. Manoj Kumar Dugar	Promoter – Executive Director	Managing Director	256525	Commerce Graduate and C.A Inter, 25+Exp in import, supply, distribution, trading of chemicals, Plastic Raw Material, Print and Packaging, Manufacturing of Plastic products, stretch films etc.	Nil
Mrs. Renu Dugar	Promoter – Non-Executive Women Director	Director	300362	BA Honours having vast experience in Human Resources & Work Force Planning	Nil
Mr. Rajesh Kumar Dugar	Promoter- Non-Executive Director	Director	276975	Graduate having vast experience in Finance & Administration	Nil
Mr. Dilip Kumar Surana	Independent Non-Executive Director	Director	NIL	B.Com Graduate, CA Inter having 13 years of experience in Petro Chemical Industry	Nil
Mr. Naresh Kathotia	Independent Non-Executive Director	Director	NIL	Graduate having vast experience in Finance & Administration	Nil
Mr. Arvind Surana	Independent Non-Executive Director	Director	NIL	B.Com Graduate having 10 years of experience in Seeds business and 5 years in Petro Chemical Industry	Nil

The Company believes that good Corporate Governance practices should be enshrined in all activities of the Company. This would ensure efficient conduct of affairs of the Company and help the Company to achieve the goal of maximizing value for all its stake owners. Your Company's business objective is to manufacture and market the Company's product in such a way as to create value that can be sustained over the long term for consumers, shareholders, employees & business partners. Your Company is conscious of the fact that the success of a Company is a reflection of the professional conduct and ethical values of its management & employees. Your Company affirms its commitment to follow good corporate governance practices proactively

2. BOARD OF DIRECTORS

The composition of Board is in consonance with the requirements of Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Company has an Executive Chairman and the Company has optimum combination of Executive and Non-Executive Directors. About two thirds of the Board of Directors are Non-Executive Directors. Half of the Board comprises of Independent Directors.

All the Directors of the Company have made necessary declarations/disclosures regarding their other directorships along with Committee positions held by them in companies.

It is further confirmed that none of the directors of the Company have been debarred or disqualified from being appointed or continuing as a director of the Company by the Ministry of Corporate Affairs or the Securities and Exchange Board of India or any other Statutory Authority. The said affirmation is confirmed by the Practicing Company Secretary in the compliance certificate which is appended hereto.

During the Financial Year 2020-21, the Board met on Six (6) occasions i.e., 26.05.2020; 17.07.2020; 14.09.2020, 13.11.2020, 08.12.2020 and 15.02.2021. The gap between any two meetings is not more than 120 days.

i. Composition and category of Directors

ii. Number of other Board of Directors or Committees in which a Director is a Member or Chairperson as on 31.03.2021

Sl. No	Name of the Director	*No. of other Companies in which he/she is Director	**No. of Committees Chairpersonship / Membership (including this Company)	
			Member	Chairperson
1	Mr. Manoj Kumar Dugar	8	1	1
2	Mrs. Renu Dugar	1	0	0
3	Mr. Rajesh Kumar Dugar	4	0	0
4	Mr. Dilip Kumar Surana	2	3	0
5	Mr. Naresh Kathotia	1	1	1
6	Mr. Arvind Surana	2	2	0

*Directorship in public and private companies includes Section 8 Companies but excluding Foreign Companies.

**Committee positions only of the Audit Committee and Stakeholders Relationship Committee in Public Limited Companies

iii. Attendance of each Director at the meeting of the Board of Directors and the last Annual General Meeting

Sl. No	Name of the Director	Attendance at the last AGM (31.12.2020)	No of Board meetings	
			Entitled to attend	Meetings Attended
1	Mr. Manoj Kumar Dugar	Yes	6	6
2	Mrs. Renu Dugar	Yes	6	6

3	Mr. Rajesh Kumar Dugar	Yes	6	4
4	Mr. Dilip Kumar Surana	Yes	6	6
5	Mr. Naresh Kathotia	Yes	6	6
6	Mr. Arvind Surana	Yes	6	6

iv. Number of meetings of the Board of Directors held and dates on which held

The Board met 6 times in the financial year 2020-2021 on the following dates, with a gap not exceeding one hundred and twenty days between any two meetings except for the first Board held on 30th June, 2020 pursuant to the exemption granted by SEBI and MCA:

26th May, 2020	17th July, 2020	14th September, 2020	13th November, 2020
08th December, 2020	15th February, 2021		

v. Disclosure of relationships between Directors inter-se

Out of all the Directors, three directors are related to each other viz., Manoj Kumar Dugar, Rajesh Kumar Dugar & Renu Dugar. None of the other Directors are related with each other.

vi. List of core skills/expertise/competencies identified by the Board of Directors

The Board identifies the following core skills/expertise/competence that it perceives it ought to have in the process of governing the Company. It is further of the view that as a whole it possesses these skills/expertise /competencies and is applying them in governing the Company

- A. strategizing capability;
- B. capacity to identify risks and macro level concerns in the Company;
- C. aptitude in the areas of finance, control, information technology and governance mechanisms so as to be able to examine and analyze these areas in the context of the Company's requirements and be in a position to determine gaps in the Management's thought process or the approach to these;
- D. ability to judge the degree of adroitness and clear thinking that go into taking business decisions taken by the Management, identify discontinuities and anomalies, critique such decisions where necessary and thereafter direct initiation of the required action as deemed best under the circumstances;
- E. encouraging diversity in the methodologies of the Company looking at operational and related constraints and suggesting ways forward;
- F. ability to engage in a healthy and cogent debate within itself (including in Board Committees) on the various governance processes with the objective of finding solutions to issues affecting the Company.

The Board comprises of qualified members who bring in the required skills, expertise and competence as mentioned above which allow them to make effective contributions to the Board and its committees.

The members of the Board are committed to ensure that the Company is in compliance with the highest standards of corporate governance.

List of skills/competencies required in relation to business operations	Names of Directors having such skills/competencies
Strategic leadership	Entire Board
Law, Management, Administration	Renu Dugar, Arvind Surana & Dilip Kumar Surana
Technical knowledge on operations	Dilip Kumar Surana & Arvind Surana
Finance	Rajesh Kumar Dugar, Manoj Kumar Dugar and Naresh Kathotia
Corporate Governance, Strategic Management	Manoj Kumar Dugar & Rajesh Kumar Dugar

vii. Confirmation that in the opinion of the Board, the Independent Directors fulfil the conditions specified in these regulations and are independent of the management.

The Board of Directors be and is hereby confirm that in the opinion of the Board, the Independent Directors fulfil the conditions specified by SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and they are independent of the management..

viii. Detailed reasons for the resignation of an Independent Director who resigns before the expiry of his tenure along with a confirmation by such director that there are no other material reasons other than those provided: NA

ix. Code of Conduct:

The Board of Directors has laid down a Code of Conduct for all Board members and all employees in management grade of the Company

A declaration to this effect signed by the Managing Director in terms of the Listing Regulations is attached and forms part of the Annual Report of the Company.

INDEPENDENT DIRECTORS

Mr. Dilip Kumar Surana, Mr. Naresh Kathotia & Mr. Arvind Surana are Non-executive Independent Directors of the company as on 31.03.2021.

Details of Familiarization Program Imparted to Independent Directors

The Company has adopted a structured program for orientation of Independent Directors at the time of their joining so as to familiarize them with the Company's operations, business, industry and environment in which it functions and the regulatory environment applicable to it. The Company updates the Board Members on a continuing basis on any significant changes therein and provides them an insight to their expected roles and the responsibilities so as to be in a position to take well-informed and timely decisions and contribute significantly to the Company.

Criteria of Independence of Independent Directors

Independent Directors have furnished a declaration that they meet the criteria of independence as laid down under Section 149 (6) of the Companies Act 2013 and Regulation 16 (b) of SEBI (Listing Obligations and Disclosure requirements) Regulations,2015.

Meeting of Independent Directors

In Compliance with the Companies Act, 2013 and Regulation 25 of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, the Independent Directors Meeting of the Company was held on 25.03.2021 and all the Independent Directors have attended the meeting. Independent Directors at their meeting considered the performance of Non-Independent Directors and Board as whole, reviewed the performance of Chairman of the Company, taking into account the views of Executive Directors and Non-Executive Directors and assessed the quality, quantity and timeliness of flow of information between the Company Management and the Board.

AUDIT COMMITTEE

(a) Brief description of terms of reference

The terms of reference of the Audit Committee are as per Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, read with Section 177 of the Companies Act, 2013 and includes such other functions as may be assigned to it by the Board from time to time.

The brief terms of reference of the Audit Committee include the following

- Overseeing the Company's financial reporting process and disclosure of its financial information to ensure that its financial statements are correct, sufficient and credible;
- Recommending to the Board the appointment, re-appointment and replacement, remuneration and terms of appointment of the statutory auditor of the Company and the fixation of audit fee and other payments, Reviewing and monitoring the statutory auditor's independence and performance, and effectiveness of audit process;
- Reviewing, with the management, quarterly, half-yearly, annual financial statements and auditor's report thereon before submission to the Board for approval.
- Reviewing, with the management, the statement of uses/ application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), and monitoring the use/application of the funds raised through the Issue by the Company;
- Approval or any subsequent modifications of transactions of the Company with related parties and omnibus approval for related party transactions proposed to be entered into by the Company subject to such conditions as may be prescribed;
- Reviewing and monitoring the statutory and internal auditors performance, effectiveness of statutory and internal audit procedures and Evaluating of internal financial controls, risk management systems and adequacy of the internal control systems;
- Scrutinizing of inter-corporate loans and investments and Valuing of undertakings or assets of the Company, wherever it is necessary;
- Establishing a vigil mechanism for directors and employees to report their genuine concerns or grievances
- Discussing with internal auditors on any significant findings and follow up there on;
- Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;

- Discussing with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;

Powers of the Audit Committee shall include the following

- To investigate any activity within its terms of reference;
- To seek information from any employee;
- To obtain outside legal or other professional advice; and
- To secure attendance of outsiders with relevant expertise, if it considers necessary.

Audit Committee shall mandatorily review the following information

- Management's discussion and analysis of financial condition and results of operations;
- Statement of significant related party transactions (as defined by the Audit Committee), submitted by the management
- Management letters / letters of internal control weaknesses issued by the statutory auditors
- Internal audit reports relating to internal control weaknesses
- The appointment, removal and terms of remuneration of the chief internal auditor.
- Statement of deviations

(b) Composition of the Committee

The members of the Audit Committee as on 31st March 2021 are:

- Mr. Naresh Kathotia - Chairman
- Mr. Manoj Kumar Dugar - Member
- Mr. Dilip Kumar Surana - Member

(c) Meetings and Attendance during the year

The Audit Committee of the Company has met four (4) times during the year i.e., on 17.07.2020, 14.09.2020, 13.11.2020 & 15.02.2021

Name of the Director	Meetings held during the tenure of the Directors	Meetings attended
Naresh Kathotia	4	3
Manoj Kumar Dugar	4	4
Dilip Kumar Surana	4	4

(d) Nomination and Remuneration Committee

The Nomination and Remuneration Committee has been formed in compliance of Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and pursuant to Section 178 of the Companies Act, 2013.

(a) Brief description of terms of reference

Terms of reference of the Nomination and Remuneration Committee shall include the following.

- Formulating the criteria for determining qualifications, positive attributes and independence of a director and recommending to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees.

- a. The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully
 - b. relationship of remuneration to performance is clear and meets appropriate performance benchmarks, and
 - c. remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals.
- Formulating of criteria for evaluation of the Independent Directors and the Board and Devising a policy on Board diversity;
 - Identifying persons, who qualify to become Directors or who may be appointed in senior management in accordance with the criteria laid down, recommending to the Board their appointment and removal, and carrying out evaluations of every Director's performance;
 - Whether to extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of Independent Directors.
 - Analysing, monitoring and reviewing various human resource and compensation matters;
 - Determining the company's policy on specific remuneration packages for executive directors including pension rights and any compensation payment, and determining remuneration packages of such directors;
 - Determining compensation levels payable to the senior management personnel and other staff (as deemed necessary), which shall be market-related, usually consisting of a fixed and variable component;
 - Reviewing and approving compensation strategy from time to time in the context of the then current Indian market in accordance with applicable laws;
 - Framing suitable policies and systems to ensure that there is no violation, by an employee of any applicable laws in India or overseas, including:
 - a. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; or
 - b. The Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities Market) Regulations, 2003.

(b) Composition of the Committee

The members of the Committee are:

Mr. Dilip Kumar Surana	-	Chairman
Mr. Naresh Kathotia	-	Member
Mr. Arvind Surana	-	Member

(c) Meetings and Attendance during the year:

During the year under review, the Committee met three times i.e., on 17.07.2020, 13.11.2020 & 15.02.2021.

Name of the Director	Meetings held during the tenure of the Directors	Meetings attended
Dilip Kumar Surana	3	3
Naresh Kathotia	3	3
Arvind Surana	3	3

(d) Performance evaluation

Pursuant to the provisions of the Companies Act, 2013 and the applicable provisions of the Listing Regulations, the Annual Performance Evaluation was carried out for the financial year 2020-2021 as per the criteria laid down. The performance evaluation of the Independent Directors was carried out by the entire Board. The Directors expressed their satisfaction with the evaluation process.

Nomination and Remuneration Policy

In accordance with Section 178 of the Act, the Committee has framed a Nomination and Remuneration Policy and all the appointments and payment of remunerations are in accordance with the policy.

(e) Remuneration of Directors

- a) All pecuniary relationship or transactions of the non-executive directors:

Non-Executive Directors including Independent Directors are entitled to payment of sitting fee for the Board and Committee meetings attended by them including conveyance fees.

- b) Criteria of making payments to non-executive directors: NA for the reporting year

- c) Disclosures with respect to remuneration

- i. all elements of remuneration package of Individual Directors:

Sl. No	Name of the Director	Category	Sitting Fees (including conveyance Fees)	Salary perquisites	Commission	Total
1	Manoj Kumar Dugar	Executive Director	-	6,00,000	-	6,00,000

- ii. Details of fixed component and performance linked incentives, along with the performance criteria: Nil
 iii. Service contracts, notice period, severance fees: Nil
 iv. Stock option details, if any and whether issued at a discount as well as the period over which accrued and over which exercisable: Nil

(f) Stakeholders Relationship Committee

The Stakeholders Relationship Committee has been formed in compliance of Regulation 20 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and pursuant to Section 178 of the Companies Act, 2013. The scope and function of the Stakeholders' Relationship Committee is in accordance with Section 178 of the Companies Act, 2013, which includes:

- Considering and resolving the grievances of security holders of the Company, including complaints related to transfer of shares, non-receipt of balance sheet, non-receipt of declared dividends, annual reports of the Company or any other documents or information to be sent by the Company to its shareholders etc.
- Investigating complaints relating to allotment of shares, approval of transfer or transmission of shares, debentures or any other securities, Giving effect to all transfer/transmission of shares and debentures, dematerialization of shares and re-materialisation of shares, split and issue of duplicate/consolidated share certificates, allotment and listing of shares, buy back of shares, compliance with all the requirements related to shares, debentures and other securities from time to time

- Oversee the performance of the registrars and transfer agents of the Company and to recommend measures for overall improvement in the quality of investor services and also to monitor the implementation and compliance of the code of conduct for prohibition of insider trading pursuant to the SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended and other related matters as may be assigned by the Board of Directors.

The composition of the Stakeholders Relationship Committee and the attendance of each Member of the said Committee are as under:

The Committee was constituted with Mr. Arvind Surana, Independent Director as Chairman, Mr. Dilip Kumar Surana, Independent Director and Mr. Naresh Kathotia, Independent Director as members of the Committee.

Details of shareholders' requests/complaints received and resolved during the year ended 31.3.2021 are as under:
NIL

(g) GENERAL BODY MEETINGS

a) Location and time of last Three AGM's held

Year	Location	Date	Time
2017-18	Lions Bhavan, IIIrd Floor, 1-8-179, Lakhapath Building, Behind HDFC Bank, Paradise Circle, Secunderabad – 500 003	Saturday, the 29th day of September, 2018	11.00 AM
2018-19	Lions Bhavan, IIIrd Floor, 1-8-179, Lakhapath Building, Behind HDFC Bank, Paradise Circle, Secunderabad – 500 003	Monday, the 30 th day of September, 2019	11.00 AM
2019-20	Held through Video Conference (VC)/ Other Audio Visual Means(OAVM)	Thursday, the 31st day of December, 2020	11.00 AM

b) Special Resolutions passed in previous three Annual General Meetings

Year of AGM	Details
2017-2018	a) Approval for Advance Loans, provide guarantee/security and make investment in excess of the prescribed limit.
	b) Approval for Loans to Directors/Interested Parties
	c) Approval on Related party Transactions
2018-2019	NIL
2019-2020	Re-appointment of Mr. Dilip Kumar Surana (DIN:02849536) as Non-Executive Independent Director of the Company
	Re-appointment of Mr. Arvind Surana (DIN: 00220367) as Non-Executive Independent Director of the Company
	Re-appointment of Mr. Manoj Kumar Dugar (DIN: 00352733) as Managing Director of the Company.

c) Details of Postal Ballot Resolutions passed during the year 2020-2021: Nil

d) Person who conducted the postal ballot exercise: Not Applicable

e) Whether any special resolution is proposed to be conducted through postal ballot: Nil

f) Procedure for postal ballot: Not Applicable

(h) MEANS OF COMMUNICATION

Sl. No	Description	Remarks
1	Quarterly results	The quarterly and half-yearly unaudited/audited financial results are informed to Bombay Stock Exchange as prescribed under SEBI(LODR) Regulations
2	Newspapers wherein results were published	Nava Telangana (Telugu) and Business Standard(English)
3	Website	www.cdgroup.in
4	Whether it also displays official news releases	Not Applicable
5	Presentations made to institutional investors or to analysts	Not Applicable

(i) GENERAL SHAREHOLDERS' INFORMATION

Sl. No	Description	Details
i.	Date, time and Venue of AGM (Virtual)	Date: 29.09.2021 Time: 10.00 AM
ii.	Financial Year	1st April, 2021 to 31st March, 2022
lii	Results for the quarter ending 30th, June 2021 30th September, 2021 31st December, 2021 31st March, 2022	On or before 14th September, 2021 On or before 14th November, 2021 On or before 14th February, 2022 On or before 30th May, 2022
iv.	Dividend payment date	NA
v.	Dates of book closure	23/09/2021 to 29/09/2021 (both days inclusive)
vi.	Name and address of Stock Exchange(s) at which the equity shares are listed and confirmation about payment of annual listing fee to each of such Stock Exchanges.	Bombay Stock Exchange limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai- 400 001
vii.	Stock Code	The listing fee for the year 2021-2022 has been paid to the Stock Exchange.

viii.	Market Price Data: High / Low / Close During each month in the last Financial Year:																																									
	Month	BSE (Rs.)																																								
		High	Low	Close																																						
	April-2020	35.25	35.25	35.25																																						
	May-2020	35.00	35.00	35.00																																						
	June-2020	38.25	36.35	36.35																																						
	July-2020	34.55	24.25	25.45																																						
	August -2020	34.85	25.10	34.30																																						
	September-2020	36.00	22.30	29.10																																						
	October-2020	35.45	28.95	35.45																																						
	November-2020	39.00	37.05	37.05																																						
	December-2020	36.45	29.30	29.35																																						
	January-2021	28.00	17.85	18.60																																						
	February-2021	20.90	18.00	20.90																																						
	March-2021	23.00	21.30	23.00																																						
ix.	<p>Relative Performance of CDG Share Price V/S. BSE Sensex:</p> <table border="1"> <caption>Data for Relative Performance of CDG Share Price V/S. BSE Sensex</caption> <thead> <tr> <th>Month</th> <th>BSE - CDG (Share Price)</th> <th>SENSEX (Index)</th> </tr> </thead> <tbody> <tr><td>Apr-20</td><td>35.25</td><td>33000</td></tr> <tr><td>May-20</td><td>35.00</td><td>31000</td></tr> <tr><td>Jun-20</td><td>36.35</td><td>34000</td></tr> <tr><td>Jul-20</td><td>25.45</td><td>38000</td></tr> <tr><td>Aug-20</td><td>34.30</td><td>39000</td></tr> <tr><td>Sep-20</td><td>29.10</td><td>38000</td></tr> <tr><td>Oct-20</td><td>35.45</td><td>40000</td></tr> <tr><td>Nov-20</td><td>37.05</td><td>45000</td></tr> <tr><td>Dec-20</td><td>29.35</td><td>48000</td></tr> <tr><td>Jan-21</td><td>18.60</td><td>45000</td></tr> <tr><td>Feb-21</td><td>20.90</td><td>48000</td></tr> <tr><td>Mar-21</td><td>23.00</td><td>48000</td></tr> </tbody> </table>			Month	BSE - CDG (Share Price)	SENSEX (Index)	Apr-20	35.25	33000	May-20	35.00	31000	Jun-20	36.35	34000	Jul-20	25.45	38000	Aug-20	34.30	39000	Sep-20	29.10	38000	Oct-20	35.45	40000	Nov-20	37.05	45000	Dec-20	29.35	48000	Jan-21	18.60	45000	Feb-21	20.90	48000	Mar-21	23.00	48000
Month	BSE - CDG (Share Price)	SENSEX (Index)																																								
Apr-20	35.25	33000																																								
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Feb-21	20.90	48000																																								
Mar-21	23.00	48000																																								
xi	Share Transfer System	Share transfers are registered and returned within a period of 15 days from the date of receipt, if the documents are clear in all respects																																								

xii. Shareholding Pattern of the Company as on 31st March 2021		
Category	No. of Shares	% of Shareholding
Promoters	19,11,052	62.10
Mutual Funds and UTI	-	-
Banks, Financial Institution, Insurance Companies	64,831	2.11
Private Corporate Bodies	62,195	2.02
Indian Public	10,38,268	33.74
NRIs/OCBs	1,154	0.03
TOTAL	30,77,500	100.00

xiii. Distribution of shareholding				
Shareholding of nominal value of (Rs.)	No. of share holders	% of share holders	Amount (in Rs.)	% of Equity
Up to 5,000	1057	83.43	151356	4.92
5,001-10,000	75	5.92	57203	1.86
10,001-20,000	56	4.42	78964	2.57
20,001-30,000	16	1.26	36174	1.18
30,001-40,000	12	0.95	42099	1.37
40,001-50,000	17	1.34	76383	2.48
50,001-100,000	11	0.87	80841	2.63
100,001 & above	23	1.82	2554480	83.01
Total	1267	100.00	307,75,000	100.00

xiv. Dematerialization of shares and liquidity as on 31.03.2021				
SL.No	Description	No. of Share holders	No. of Shares	% of Equity
1	Physical	290	124759	4.05
2	NSDL	512	2207884	71.74
3	CDSL	465	744857	24.20
	Total	1267	3077500	100.00
xv.	Outstanding GDRs/ADRs/ Warrants or any Convertible instruments, conversion date and likely impact on equity:		NIL	
xvi.	Commodity Price Risk or Foreign Exchange Risk and hedging activities		Not Applicable	
xvii.	Plant locations		Not Applicable	
xviii.	Address for correspondence		Registered Office: CDG Petchem Limited Plot No:10 & 11, MCH No:1-8-304 to 307/10, Pattigadda Road, Hyderabad – 500 003 Tel: +91-40-27897743 / 27897744 Email: corporate@dugargroup.net	

xix.	Reconciliation of Share Capital Audit	The Company gets the reconciliation of share capital audit done by a practicing Company Secretary for the purpose of reconciliation of the total admitted capital with both the depositories, physical and the total issued and listed capital. The reconciliation of share capital audit report is placed before the Board of Directors on a quarterly basis and is also sent to the Stock Exchanges where the Company's shares are Listed.
x.	Credit ratings given by CRISIL for bank loan facilities	NIL

(j) Other Disclosures

SL No	Details	Remarks
1	Disclosure on materially significant Related Party Transactions	There are no materially significant related party transactions of the Company which have potential conflict with the interest of the Company at large.
2	Details of non-compliance by the listed entity, penalties, strictures imposed on the listed entity by Stock Exchange(s) or the Board or any Statutory Authority on any matter related to Capital markets during last 3 years	<p>1) BSE has levied penalty for non-appointment of Qualified Company Secretary as Compliance officer under Regulation 6(1) of SEBI (LODR) Regulations, 2015. Management pleaded with justification on non-compliance & requested waiver of penalty due to situation of Covid-19 Pandemic. Such penalty has been cleared.</p> <p>2) Non-compliance under listing agreement disclosed in Secretarial Audit Report</p>
3	Details of establishment of Vigil Mechanism, Whistle Blower Policy and affirmation	The Company believes in conducting its affairs in a fair and transparent manner by adopting the highest standards of professionalism, honesty, integrity and ethical behavior. The Company has adopted a Vigil Mechanism policy in order to provide a secure environment and to encourage employees of the Company to report unethical, unlawful or improper practice, acts or activities. The reportable matter may be disclosed to the Audit Committee. Employees may also report to the Chairman of the Audit Committee. During the year under review, no employee was denied access to the Audit Committee.
4	Disclosure under Sexual Harassment of Women at Workplace	The Company has in place the requisite Internal Committees as envisaged in the Sexual Harassment of Women at workplace (Prevention, Prohibition and Redressal) Act, 2013. No complaints on the issues covered by the above Act were received during the year.
5	Mandatory and Non-mandatory requirements	<p>The Company has complied with all the mandatory requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.</p> <p>The Company has fulfilled the following non-mandatory requirements as prescribed in Schedule II,</p>

		<p>PART E of Regulation 27(1) of (Listing Obligations and Disclosure Requirements) Regulations, 2015 with respect to the following:</p> <p>a) Modified opinion(s) in audit report</p> <p>b) Reporting of internal auditor directly to the audit committee.</p>
6	Web link where policy for determining 'material' subsidiaries is disclosed	www.cdgroup.in
7	Web link where policy on dealing with related party transactions	www.cdgroup.in
8	CEO / CFO Certification	In terms of Part-B of Schedule – II read with Regulation 17(8) of the SEBI (LODR) Regulations, 2015, the Certificate duly signed by the Managing Director and CFO of the Company was placed before the Board of Directors along with the financial statements for the year ended 31.03.2021, at its meeting held on 29.06.2021 and forms part of this Annual Report and same is annexed as Annexure II-A and forms an integral part of the Annual Report..
9	Disclosure of Accounting Treatment	The Company in the preparation of financial statements has followed the treatment laid down in the Accounting standards prescribed by the Institute of Chartered Accountants of India. There are no audit qualifications in the Company's financial statements for the year under review.
10	Compliance with Corporate Governance requirements	Your Company has complied with Corporate Governance requirements specified in regulations 17 to 27 and Clauses (b) to (i) of sub-regulation (2) of regulation 46 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
11	Details with respect to utilization of funds raised through preferential allotment or qualified institutions placement	During the Year, the Company has not raised funds through preferential allotment or qualified institutional placement as specified under Regulation 32 (7A) of the LODR Regulations.
12	Certificates from a practicing Company Secretary	<p>a) The Company has obtained a Certificate from a practicing Company Secretary confirming that none of the Directors of the Company have been debarred or disqualified from being appointed or continuing as Directors of companies by SEBI/Ministry of Corporate Affairs or any such statutory authority and is annexed as Annexure II-B and forms an integral part of the Annual Report.</p> <p>b) The Company has obtained a Certificate from a practicing Company Secretary confirming that it is in compliance with the conditions of Corporate Governance as stipulated in Para C of the Schedule V of the LODR Regulations and same is annexed as Annexure II-C and forms an integral part of the Annual Report.</p>

13	Disclosure with respect to payment made to statutory auditors	During the year, the company has paid Rs, 1, 10 ,000/- to the statutory Auditors towards statutory Audit.
14	During the year, the Board accepted all the recommendations of all the committees of Board.	

Subsidiaries and Material Subsidiary

The Company has only one Subsidiary i.e Morbido Merchandise Private Limited which is a material subsidiary

The audit committee reviews the financial statements of our subsidiaries. It also reviews the investments, if any, made by such subsidiaries, the statement of all significant transactions and arrangements, if any entered into by subsidiaries, and the compliances of each materially significant subsidiary, if any, on a periodic basis.

The Company’s policy for determining a material subsidiary. The said policy has been posted on the Company’s website at www.cdgroup.in

The above report has been approved by the Board of Directors at their meeting held on 30.08.2021

DECLARATION ON COMPLIANCE WITH CODE OF CONDUCT

Pursuant to Regulation 26 and Schedule V (D) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, I hereby declare that all the Board members and Senior Management Personnel are aware of the provisions of the Code of Conduct laid down by the Board. I hereby confirm that all Board Members and Senior Management personnel have affirmed compliance with the Code of Conduct.

Place: Hyderabad
Date: 30.08.2021

Sd/-
Manoj Kumar Dugar
Managing Director
DIN : 00352733

**COMPLIANCE CERTIFICATE BY MANAGING DIRECTOR (MD)
AND CHIEF FINANCIAL OFFICER (CFO)**

We, Mr. Manoj Kumar Dugar, Managing Director and Mr.Vijay Gyanchand Jain, Chief Financial Officer of the Company do hereby certify that;

1. We have reviewed the Financial Statements and the Cash Flow Statement for the year and that to the best of our knowledge and belief:
 - a. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - b. These statements present a true and fair view of the state of affairs of the company and of the results of operations and cash flows. The financial statements have been prepared in conformity, in all material respects, with the existing Accounting Standards, applicable laws and regulations.
2. There are, to the best of our knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violative of the company's code of conduct.
3. We accept overall responsibility for establishing and monitoring the company's internal control system for financial reporting and evaluating its effectiveness. The Statutory Auditors reports significant issues to the Audit Committee of the Board. The Statutory Auditors and audit committee are apprised of any corrective action taken or proposed to be taken with regard to significant deficiencies and material weaknesses.
4. We have indicated to the Auditors and to the Audit Committee:
 - a. Significant changes if any in internal control over financial reporting during the year;
 - b. Significant changes if any in accounting policies during the year;
 - c. Instances of significant fraud of which we have become aware of and which involve management or other employees who have significant role in the company's internal control system over financial reporting. However, there was no such instance

Place: Hyderabad
Date: 29.06.2021

Sd/-
Manoj Kumar Dugar
Managing Director
DIN: 00352733

Sd/-
Vijay Gyanchand Jain
Chief Financial Officer
PAN : AKOPJ 1589P

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

To

The Members,

CDG Petchem Limited.

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of CDG Petchem Limited having CIN L51100TG2011PLC072532 and having registered office at Plot No.10 & 11, MCH No.1-8-304 to 307/10, Pattigada Road, Hyderabad TG 500 003 (hereinafter referred to as 'the Company'), produced before me/us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015..

In our opinion and to the best of my/our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2021 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs.

Sr. No.	Name of Director	DIN	Date of appointment in Company in current designation
1	Arvind Surana	00220367	17.12.2015
2	Renu Dugar	00235675	17.12.2015
3	Manoj Kumar Dugar	00352733	07.01.2012
4	Rajesh Chandanmal Dugar	00730059	29.08.2016
5	Naresh Kathotia	00787683	10.02.2018
6	Dilip Kumar Surana	02849536	01.07.2015

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

**for M/s A.S.Ramkumar & Associates
Company Secretaries**

Sd/-

**Durga Bhavani Agarwal
Partner**

CP No. F8324, M.No:11608

Place: Hyderabad

Date: 14.08.2021

UDIN : F008324C000785936

Certificate on Corporate Governance

To
The Members,
CDG Petchem Ltd

We have examined the compliance of conditions of Corporate Governance by CDG Petchem Limited ('the Company') for the year ended 31st March, 2021 as per the relevant provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations')

The compliance of conditions of Corporate Governance is the responsibility of management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Regulations.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**for M/s A.S.Ramkumar & Associates
Company Secretaries**

**Sd/-
Durga Bhavani Agarwal
Partner
CP No. F8324, M.No:11608**

**Place: Hyderabad
Date: 14.08.2021
UDIN: F008324C000785947**

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 arms length transactions under third proviso thereto

1. Details of contracts or arrangements or transactions not at arm's length basis:							
(a) Name(s) of the related party and nature of relation ship	(b) Nature of contracts/arrangements/tr ansactions:	(c) Duration of the contracts / arrangements/transa ctions:	(d) Salient terms of the contracts or arrangement s or transactions including the value, if any:	(e) Justificati on for entering into such contracts or arrangem ents or transacti ons	(f) Date(s) of appro val by the Board:	(g) Amoun t paid as advanc es, if any:	(h) Date on which the special resolut ion was passed in genera l meeti ng as requir ed under first provis o to sectio n 188:
Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
2. Details of material contracts or arrangement or transactions at arm's length basis:							
(a) Name(s) of the related party and nature of relationship:	(b) Nature of contracts/arrangement s/transactions:	(c) Duration of the contracts / arrangements/trans actions:	(d) Salient terms of the contracts or arrangements or transactions including the value, if any:	(e) Date(s) of approval by the Board, if any:	(f) Amount paid as advances, if any:		
M/s. Ayushman	Purchase of Goods	12 months	As per approval	26.05.2020	-		

Merchants Private Limited			accorded		
M/s. Dugar Polymers Limited	Purchase of Goods	12 months	As per approval accorded	26.05.2020	-
M/s. Du-Luk Polymers Limited	Purchase of Goods	12 months	As per approval accorded	26.05.2020	-
M/s. Morbido Merchandise Private Limited	Purchase of Goods	12 months	As per approval accorded	26.05.2020	-
M/s. Ayushman Merchants Private Limited	Sale of Goods	12 months	As per approval accorded	26.05.2020	-
M/s. Dugar Polymers Limited	Sale of Goods	12 months	As per approval accorded	26.05.2020	-
M/s. Morbido Merchandise Private Limited	Sale of Goods	12 months	As per approval accorded	26.05.2020	-

For and on behalf of the Board of Directors

Place: Hyderabad
Date: 30th August, 2021

Sd/-
Manoj Kumar Dugar
Managing Director
DIN : 00352733

Sd/-
Rajesh Chandanmal Dugar
Director
DIN : 00730059

Form AOC-1

(Pursuant to first proviso to Section 129(3) of the Act read with Rule 5 of the Companies (Accounts) Rules, 2014) Statement showing salient features of the financial statements of subsidiaries, joint ventures and associates as per Companies Act, 2013 ('Act')

Part A: Subsidiaries Amount in Rs.)

Name of the Subsidiary	Morbido Merchandise Private Limited
Date on which Subsidiary is incorporated	27/06/2016
Share Capital	10,00,000.00
Reserves & Surplus	2,06,81,373.00
Total Liabilities	15,74,87,884.00
Total Assets	17,91,69,257.00
Investments (included in Total Assets)	
Total Income (Including other income)	29,69,14,455.00
Profit before tax	39,22,974.00
Provision for tax	13,18,998.00
Profit after Tax	26,03,976.00
Dividend	-
% of shareholding	100%
Reporting Period	March 31, 2021
Reporting Currency	INR

Part B: Joint Ventures/Associates

There are no joint Ventures/Associates

For and on behalf of the Board of Directors

Sd/-

Manoj Kumar Dugar
Managing Director
DIN:00352733

Sd/-

Rajesh Chandanmal Dugar
Director
DIN: 00730059

DISCLOSURES PURSUANT TO SECTION 197 (12) OF THE COMPANIES ACT, 2013 AND RULE 5 OF COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

Required disclosures under Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are asunder:

1. The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year

S.No	Name	Designation	Total Remuneration (Rs)	Ratio of remuneration of director to the Median remuneration
1	Manoj Kumar Dugar	Managing Director	6,00,000	7.18

Notes:

1. The aforesaid details are calculated on the basis of remuneration for the financial 2020-21
2. The remuneration to Directors includes sitting fees paid to them for the financial year 2020-21.
3. Median remuneration of all its employees is Rs 83,512/- for the financial year 2020-2021.

2. The percentage increase in remuneration of each Director, Chief Financial Officer, Company Secretary or Manager, if any, in the financial year

S. No	Name	Designation	At the end of the Financial year	At the beginning of Financial year	Increase %
1	Manoj Kumar Dugar	Managing Director	6,00,000	6,00,000	NIL
2	Abhishek Kumar Sahal	Chief Financial Officer	NIL	NIL	NA
3	Vijay Gyanchand Jain	Chief Financial Officer	2,76,924	2,76,924	NIL
4	Deepika Surekha	Company Secretary	2,40,000	2,40,000	NIL
5	Sonal Baheti	Company Secretary	2,40,000	2,40,000	NIL

3. The percentage increase/ (decrease) in the median remuneration of employees in the financial year: (36.28%)
4. 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 Key Managerial Remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration.

(Amount in Rs.)

	As on 31 st March, 2021	As on 01 st April, 2020	Increase %
Average salary of all employees (Other than Key Managerial Personnel)	1,13,462	1,82,398	(37.79%)
Key Managerial Personnel			
Salary of Manoj Kumar Dugar(MD)	50,000	50,000	NIL
Salary of Abhishek Kumar Sahal(CFO)	Nil	Nil	N.A
Salary of Vijay Jain (CFO)	23,077	23,077	Nil
Salary of Deepika Surekha (CS)	20,000	20,000	Nil
Salary of Sonal Baheti (CS)	20,000	20,000	Nil

5. The increase in remuneration of employees other than the Key Managerial Personnel is considerably in line with the increase in remuneration of Key Managerial Personnel.
6. It is hereby affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.
7. Statement containing the particulars of employees in accordance with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Amendment Rules, 2016, vide notification dated 30th June,2016:

List of top ten employees of the Company in terms of remuneration drawn and employed throughout the financial year 2020-2021-

Name	Designation	Remuneration (Rs)	Qualification	Experience	Date of Joining	Last Employment
Anand Das Ranjan	Factory Manager	4,16,300	B.Com	15 Years	01-Jan-2020	S.M Rotoflex Pvt. Ltd.
Syed Najeeb Ahmed	Legal Advisor	1,50,000	B.Com	30 Years	28-July-2018	NA
Vijay Gyanchand Jain	Chief Financial Officer	72,714	Company Secretary	7 Years	24-Dec-2020	Nayan Hardware Private Limited

For CDG Petchem Limited

Sd/-
Manoj Kumar Dugar
Managing Director
DIN : 00352733

Place: Hyderabad
Date: 30th August, 2021

Information under section 134 of the Companies Act, 2013 read with Rule 8 of Companies (Accounts) Rules, 2014 and forming a part of Directors' Report.

Conservation of Energy

The Company is striving to conserve energy by adopting innovative measures to reduce wastage and optimize consumption. The adoption of the above helps to control the proportionate increase in total energy usage consequent to overall increase in production. The total energy consumption is given as per form-A below:

FORM - A
Form for Disclosure of Particulars with respect to Conservation of Energy

PARTICULARS	2020-2021	2019-2020
POWER & FUEL CONSUMPTION		
Electricity		
a) Purchased		
Units	40774	132291
Total Amount (Rs.)	349609	1314955
Rate Per Unit (Rs.)	8.57	9.94
b) Own Generation		
Through Diesel Generator	-	-
Units (Liters)	-	-
Total Cost (Rs.)	-	-
Coal (Specify quality and where used)	Nil	Nil
Furnace Oil	Nil	Nil
Natural Gas	Nil	Nil
Consumption per Unit of Production		
The consumption of raw material per kg	-	-

FORM B (See Rule 2)
Form for Disclosure of Particulars with respect to Technology Absorption (R&D)

- A. Research and Developed (R&D) - NIL
B. Technology absorption, adoption and innovation - NIL
C. Foreign Exchange Earnings and Outgo: NIL

Sd/-
Manoj Kumar Dugar
Chairman & Managing Director
DIN: 00352733

Sd/-
Renu M Dugar
Director
DIN: 00235675

Place: Hyderabad
Date: 30.08.2021

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 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 and Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 as amended]

The Members,
CDG Petchem Limited
CIN: L5110TG2001PLC072532
Hyderabad -500 003
Telangana

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by CDG PETCHEM LIMITED [Corporate Identification Number: L51100TG2011PLC072532] (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 Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2021 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 31st March, 2021 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment. (There were no External Commercial Borrowings transactions in the Company, during the Audit Period); **Not applicable to the company during the Audit Period**
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2018;
 - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (**Not applicable during the period under review**) ;
 - d. The Securities Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 ; (**Not applicable during the period under review**);

- e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 ; **(Not applicable during the period under review)**;
 - f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **(Not applicable during the period under review)**; and
 - h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **(Not applicable during the period under review)** ;
 - i. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- (vi) The Management has identified and confirmed the following Laws as being specifically applicable to the Company:
- 1. Acts and Rules relating to Environmental protection and energy conservation;
 - 2. Acts and Rules relating to hazardous substances and chemicals;
 - 3. Contract Labour (Regulation and Abolition) Act, 1970
 - 4. Employees State Insurance Act, 1948
 - 5. Employees Compensation Act, 1923
 - 6. Employees Provident Fund and Miscellaneous Provisions Act, 1952
 - 7. Indian Contract Act, 1872
 - 8. Income Tax Act, 1961 and Indirect Tax Laws
 - 9. Indian Stamp Act, 1999
 - 10. Minimum Wages Act, 1948
 - 11. Payment of Bonus Act, 1965
 - 12. Payment of Gratuity Act, 1972
 - 13. Payment of Wages Act, 1936.

We believe that the audit evidence which we have obtained is sufficient and appropriate to provide a basis for our audit opinion. In our opinion and to the best of our information and according to explanations given to us, we believe that the systems and mechanisms established by the Company are adequate to ensure compliance of laws as mentioned above. We have not examined compliance by the Company with applicable financial laws, like direct and indirect tax laws, since the same have been subject to review by statutory auditor, tax auditor, and other designated professionals.

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

- (i) Secretarial Standards with respect to Meetings of Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India;
- (ii) The Uniform Listing Agreement entered into with BSE Limited pursuant to the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015;

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. issued by the Ministry of Corporate Affairs, Securities and Exchange Board of India and such other regulatory authorities for such acts, rules, regulations, standards etc. as may be applicable, from time to time issued for compliances under the pandemic situation, have been complied with by the Company as mentioned above.

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

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Notes on Agenda which are circulated less than the specified period the necessary compliances under the Companies Act, 2013 and secretarial standard on Meeting of the Board of Directors are complied with. Further, the Circulars, Regulations and Guidelines issued by the Ministry of Corporate Affairs, Securities and Exchange Board of India and other relevant regulatory authorities in view of the pandemic pertaining to Board/ Committee meetings, General Meetings and other provisions of the Act, Rules and Regulations have been complied with by the Company.

Based on the verification of the records and minutes, the decisions were carried out with the consent of the Board of Directors / Committee Members and no Director / Member dissented on the decisions taken at such Board / Committee Meetings.

We further report that based on the review of compliance mechanism established by the Company, we are of the opinion that the management has adequate systems and processes commensurate with its size and operations, to monitor and ensure compliance with all applicable laws, rules, regulations and guidelines.

We further report that the above mentioned Company being a Listed entity, this report is also issued pursuant to Regulation 24A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended and circular No.CIR/CFD/CMD1/27/2019 dated 8th February, 2019 issued by Securities and Exchange Board of India.

We further report that as per the information and explanation provided by the Management, the Company has Material Unlisted Subsidiary(ies) Incorporated in India pursuant to Regulation 16 (c) and 24A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 during the period under review.

We further report that during the reporting period, a resolution pertaining to approval of scheme of Amalgamation between the CDG Petchem Limited (Transferee Company) and Morbido Merchandise Private Limited (Transferor Company) and their respective members and creditors under Section 233 of The Companies Act, 2013 through postal ballot was not passed.

During the period under review the company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc, mentioned above except to the extent as mentioned below:

1. *Whereas in terms of Regulation 24(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, to the extent of appointment of Independent Director on the Board of Material non-listed Indian Subsidiary is complied on 25.03.2021.*
2. *Whereas in terms of Regulation 47(1)(a) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, to the extent of publication of notice of meeting of the Board of Directors where financial results shall be discussed not complied for June and September, 2020 quarters*
3. *Whereas in terms of Regulation 47(1)(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, to the extent of publication of financial results for the quarter June 2020 not complied.*
4. *Whereas delay in payment of Professional tax for October & December 2020, Non-payment of Professional tax on Director Remuneration & Tax on company, attracting Rule 17 of Professional Tax act 1987.*
5. *Where as in terms of 24A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Secretarial Audit for financial year 2019-2020 for its material subsidiary company Morbido Merchandise Private Limited was not conducted.*

6. *Whereas in terms of Section 139(8) of Companies Act, 2013, in case of casual vacancy of auditor due to resignation, such casual vacancy shall be filled by appointment of new auditor by the approval of members who shall hold office upto the conclusion of next annual General Meeting. However, the appointment in the reporting company has been made for a period of 5 (five) years.*

For A S Ramkumar & Associates

Sd/-

Durga Bhavani Agarwal

M.No.F8324

C.P No.11608

UDIN: F008324C000785881

Date: 14/08/2021

Place: Hyderabad

This report is to be read with my letter of even date which is annexed as Annexure and forms an integral part of this report.

Annexure to the Secretarial Audit Report

The Members
CDG Petchem Limited
CIN: L5110TG2001PLC072532
Hyderabad -500 003
Telangana

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

1. Maintenance of secretarial records is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. It is the responsibility of the management of the company to devise proper systems to ensure compliance with the provisions of Corporate and other applicable laws, rules, regulations, standards and to ensure that the systems are adequate and operate effectively. Our examination was limited to the verification of procedure on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For A S Ramkumar & Associates

Sd/-
Durga Bhavani Agarwal
M.No.F8324
C.P No.11608
UDIN: F008324C000785881

Date: 14/08/2021
Place: Hyderabad

INDEPENDENT AUDITOR'S REPORT
To The Members of CDG Petchem Limited (Formerly Urbaknitt Fabs Limited)
Report on the Audit of Standalone Financial Statements

Opinion

We have audited the accompanying Standalone Financial statements of **CDG PETCHEM LIMITED (formerly known as Urbaknitt Fabs Limited) ("The Company")**, which comprise the Balance Sheet as at **31st March, 2021** the statement of Profit & Loss including the statement of Other Comprehensive Income, the Cash Flow Statement and the statement of changes in Equity for the year then ended and notes to the standalone financial statements, including a summary of the significant accounting policies and other explanatory information.

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

Basis for Opinion

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the standalone financial statements.

Emphasis of Matter

We draw our attention to Note 37 of the standalone financial statements, as regards to the management evaluation of COVID – 19 impact on the future performance of the Company. Our opinion is not modified in respect of this matter.

Key Audit Matters

Key Audit Matters are those matters that, in our professional judgment, were of most significance in our audit of the Financial Statements for 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. For each matter below, our description of how our audit addressed the matter is provided in that context.

<p>Physical Inventory Verification</p> <p>The auditor’s responsibility is to ascertain whether the management has satisfactory procedures for physical verification of inventories, so that in the normal circumstances the programme of physical verification will cover all material items of inventories at least once during the year.</p> <p>Due to COVID-19 pandemic and resulting countrywide shutdown, the programme of physical verification of inventories of stores and spares could not be completed.</p> <p>As per relevant Guidance Note, Auditors are advised to witness implementation of physical verification programme; however, due to the unfavourable circumstances our presence was not possible.</p>	<p>Principal Audit Procedures</p> <p>Our audit procedures included but are not limited to detailed written confirmations of inventories held by the stores in-charge of different locations.</p> <p>We have tested the effectiveness of controls present for inwards and issues for consumption. We have selected samples of current year purchases present in closing stock and have verified there Goods Receipt Notes and subsequent payments made by the company.</p> <p>We have employed analytical procedures such as reconciliation of quantities of opening stock, purchases, consumption and closing stock; comparison of current year gross profit ratio with the gross profit ratio for the previous year; comparison of significant ratios relating to inventories with the similar ratios for other company in the same industry.</p>
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We have determined that there are no other key audit matters to communicate in our report.

Other Information

The Company’s Board of Directors is responsible for the preparation of other information. The other information comprises the information included in the annual report but does not include the Standalone financial statements and our auditor’s report thereon.

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

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

Responsibilities of management and those charged with the governance for the financial statement

The Company’s Board of Directors are responsible for the matters stated in section 134 (5) of the Act with respect to the preparation and presentation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the companies (Indian Accounting Standards) Rule, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error. In preparing the financial statements, management is responsible for assessing the Company’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of Standalone Financial Statements

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

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

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

Materiality is the magnitude of misstatements in Standalone Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of reasonably knowledgeable user of Standalone Financials Results 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 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 financial statements of the current period and are therefore the key audit matters. We

describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirement

As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A" statement on the matters Specified in paragraphs 3 and 4 of the Order.

As required by section 143(3) of the Act, we further 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 purpose of our audit.
- b. In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
- c. The Balance Sheet, Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
- d. In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 Companies (Indian Accounting Standards) Rules, 2015, as amended;
- e. On the basis of written representations received from the directors as on March 31, 2021, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021, from being appointed as a director in terms of Section 164(2) of the Act;
- f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B"; our report express an unmodified opinion on the adequacy and operating effectiveness of the company's internal financial controls over financial reporting.
- g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirement of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its director during the year is in accordance with the provisions of section 197 of the Act.
- h. With respect to other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - (i) The Company does not have any pending litigations which would impact its financial position.
 - (ii) The Company did not have any long-term contracts including derivative contracts; as such the question of commenting on any material foreseeable losses thereon does not arise.
 - (iii) There has not been an occasion in case of the Company during the year under report to transfer any sums to the Investor Education and Protection Fund. The question of delay in transferring such sums does not arise.

For S. Bhalotia & Associates
(Chartered Accountants)
Firm's Registration no.: 325040E
Sd/

CA Binod Kumar Sahoo
(Partner)
Membership No: 305406

Place: Hyderabad
Date: The 29th day of June, 2021
UDIN: 21305406AAAAEQ7512

Annexure - A to the Independent Auditors' Report

The Annexure referred to in Independent Auditors' Report to the members of the Company on the financial statements for the year ended 31st March 2021, we report that:

- (i) (a) The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets on the basis of available information.
- (b) As explained to us, the fixed assets are physically verified by the management in a phased periodical manner, which in our opinion is reasonable, having regard to the size of the company and nature of its assets. No material discrepancies were noticed on such physical verification.
- (c) According to the information and explanations given to us, the records examined by us and based on the examination of the conveyance deeds provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date.
- In respect of immovable properties of land and building that have been taken on lease and disclosed as fixed assets in the financial statements, the lease agreements are in the name of the Company.
- (ii) (a) The inventories have been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
- (b) The company has maintained proper records of inventory as explained to us. There was no material discrepancies noticed on physical verification of inventory as compared to the book records.
- (iii) According to the information and explanation given to us, the company has not granted any loans, secured or unsecured, to the party covered in the register maintained under section 189 of the Companies Act, 2013 for the year ended 31st March, 2021 and therefore paragraph 3(iii) of the order are not applicable to the company and hence not commented upon.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 186 with respect to the loans and investments made and provisions of section 185 with respect to loans to directors.
- (v) According to the information and explanations given to us, the Company has not received any public deposits during the year and accordingly paragraph 3 (v) of the order is not applicable.
- (vi) According to information and explanation given by the management, the maintenance of cost records have not been prescribed by the Central Government under section 148(1) of the Act, for any of the activities carried on by the company and hence para3(vi) of the Order is not applicable to the company.
- (vii) (a) According to the information and explanations given to us, the Company has generally been regular in depositing undisputed statutory dues including Income-tax, Tax deducted at sources, Service Tax, and other material statutory dues applicable to it, with the appropriate authorities.
- (b) According to the information and explanations given to us, there were no undisputed amounts payable in respect of statutory dues in arrears as at 31st March 2021, for a period of more than six months from the date they became payable.

- (viii) Based on our audit procedures and on the information and explanations given by the management, we are of the opinion that, the company has not defaulted in repayments of dues to any financial institution or bank. The Company does not have any dues to debenture holders during the year.
- (ix) According to the information and explanations given to us, the money raised by way of term loans were applied for the purpose for which it was raised during the year.
- (x) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- (xi) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has provided for managerial remuneration in accordance with the provisions of section 197 read with Schedule V to the Act.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, 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) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For S. Bhalotia & Associates
(Chartered Accountants)
Firm's Registration no.: 325040E
Sd/

CA Binod Kumar Sahoo
(Partner)
Membership No: 305406

Place: Hyderabad
Date: The 29th day of June, 2021

UDIN: 21305406AAAAEQ7512

Annexure - B to the Auditors' Report

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

We have audited the internal financial controls with reference to Standalone Financial Statement of **M/s. CDG PETCHEM LIMITED (formerly known as Urbaknitt Fabs Limited) ("The Company")** as of 31 March, 2021 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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

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

Meaning of Internal Financial Controls 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 authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention

or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

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

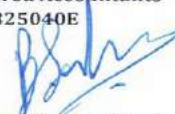


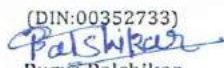
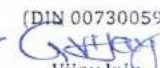
**For S. Bhalotia & Associates
(Chartered Accountants)
Firm's Registration no.: 325040E**

**Sd/
CA Binod Kumar Sahoo
(Partner)**

Membership No: 305406


Place: Hyderabad



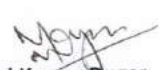

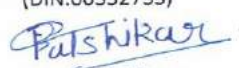
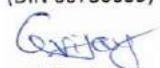
**Date: The 29th day of June, 2021
UDIN: 21305406AAAAEQ7512**

CDG PETCHEM LIMITED (Formerly Urbaknitt Fabs Limited) CIN: L51100TG2011PLC072532 Statement of Assets and Liabilities as at March 31, 2021			₹		
Particulars		As at 31st March 2021	As at 31st March 2020		
Non-current Assets					
(a) Property, Plant and Equipment	5	6,33,14,548	2,75,87,832		
(b) Financial Assets					
- Investments	6	10,19,964	10,19,964		
- Deposits	7	11,73,100	6,73,100		
(c) Other Non-current Assets	8	47,51,736	47,05,800		
		7,02,59,348	3,39,86,696		
Current Assets					
(a) Inventories	9	1,84,97,001	1,91,28,203		
(b) Financial Assets					
- Trade receivables	10	5,77,42,093	2,60,46,127		
- Cash and Bank Balances	11	8,90,676	2,31,383		
- Other Financial Assets	12	1,78,255	5,11,094		
(c) Other Current Assets	13	43,16,847	48,62,932		
		8,16,24,872	5,07,79,739		
Total Assets		15,18,84,220	8,47,66,435		
EQUITY AND LIABILITIES					
Equity					
(a) Equity share capital	14	3,07,75,000	3,07,75,000		
(b) Other Equity	15	(80,88,030)	(39,66,590)		
Total Equity		2,26,86,970	2,68,08,410		
Liabilities					
Non Current Liabilities					
(a) Financial liabilities					
- Borrowings	16	3,20,26,695	3,26,07,179		
(b) Deferred tax Liabilities(Net)	17	16,92,228	12,26,885		
Current liabilities					
(a) Financial Liabilities					
- Borrowings	18	2,82,32,156	-		
- Trade Payables	19	-	-		
a) total outstanding dues of micro enterprises and small enterprises; and - -		5,30,44,418	1,42,07,363		
b) total outstanding dues of creditors other than micro enterprises and small enterprises		47,06,492	15,90,750		
- Other Financial Liabilities	20	63,93,728	22,82,019		
(b) Other Current Liabilities	21	27,32,769	57,05,881		
(c) Provisions	22	3,68,765	3,37,948		
		12,91,97,250	5,79,58,025		
Total Liabilities		12,91,97,250	5,79,58,025		
Total equity and liabilities		15,18,84,220	8,47,66,435		
Significant accounting policies and key accounting estimates and judgements 1 to 4					
See accompanying notes form an integral part of Standalone Financial Statements 30 to 42					
AS PER OUR REPORT OF EVEN DATE ATTACHED					
For S. Bhalotia & Associates Chartered Accountants FRN : 325040E			For and on behalf of the BOD of CDG Petchem Limited		
					
CA. Binod Kumar Sahoo Partner			Manoj Kumar Dugar Managing Director & Chairman		Rajesh Kumar Dugar Director
Membership No. : 305406 Place: Hyderabad Date : 29-06-2021 UDIN : 21305406AAAAEQ7512					
			(DIN:00352733) Purva Palshikar Company Secretary		 (DIN 00730059) Vijay Jain Chief Financial Officer

CDG[®]

Chandantara Dugar Group
CDG PETCHEM LIMITED

CDG PETCHEM LIMITED (Formerly Urbaknitt Fabs Limited) CIN: L51100TG2011PLC072532 Statement of Profit and Loss for the Year Ended 31st March, 2021			
₹			
Particulars	Note	For the Year 31st March, 2021	For the Year 31st March, 2020
I Income			
Revenue from operations	23	15,45,25,905	20,13,44,521
Other Income	24	22,33,027	19,46,743
Total Income		15,67,58,931	20,32,91,264
II Expenses			
Cost of Materials Consumed	25	13,52,94,928	18,61,33,198
Changes in Inventories of Finished Goods, Stock in Trade & Work- in Progress	26	22,94,188	(24,62,727)
Employee benefits expense	27	26,92,671	54,09,325
Finance costs	28	57,25,786	32,32,437
Depreciation & Amortisation Expense	5	28,51,748	25,48,444
Other expenses	29	1,15,32,751	61,44,481
Total expenses		16,03,92,072	20,10,05,157
III Profit before tax (I-II)		(36,33,141)	22,86,107
IV Tax expense:			
Current Tax		-	3,77,088
Deferred Tax		4,65,344	2,50,366
Income tax relating to previous year		22,956	-
MAT Credit Entitlement		-	3,77,088
Total Tax Expense		4,88,300	2,50,366
V Profit / (Loss) for the period after tax (V+VIII)		(41,21,440)	20,35,740
VI Other Comprehensive Income			
A Items that will not be reclassified to profit or loss		-	-
B Items that will be reclassified to profit or loss		-	-
Other Comprehensive Income for the year, net of tax (A+B)		-	-
VII Total Other Comprehensive Income for the year		(41,21,440)	20,35,740
VIII EARNINGS PER EQUITY SHARE			
Basic and Diluted		-1.34	0.66
Significant accounting policies and key accounting estimates and judgements	1 to 4		
See accompanying notes form an integral part of Standalone Financial Statements.	30 to 42		
AS PER OUR REPORT OF EVEN DATE ATTACHED For S. Bhalotia & Associates Chartered Accountants FRN : 325040E		For and on behalf of the BOD of CDG Petchem Limited	
CA. Binod Kumar Sahoo Partner Membership No. : 305406 Place: Hyderabad Date : 29-06-2021 UDIN : 21305406AAAAEQ7512		Manoj Kumar Dugar Managing Director & Chairman (DIN:00352733) Purva Palshikar Company Secretary	Rajesh Kumar Dugar Director (DIN 00730059) Vijay Jain Chief Financial Officer

CDG PETCHEM LIMITED (Formerly Urbaknitt Fabs Limited) CIN: L51100TG2011PLC072532 Standalone Cashflow Statement for the Year ended 31st March 2021		
	Year Ended 31st March 2021	Year Ended 31st March 2020
₹		
PARTICULARS		
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit (Loss) before Tax	(36,33,141)	22,86,107
Adjustments for Non-Operating Activities:		
Depreciation	28,51,748	25,48,444
Loss/ (Profit) on Sale of Assets	(4,57,674)	(56,280)
Finance Cost	57,25,786	32,32,437
Interest Received	(7,52,744)	(1,67,380)
	73,67,116	55,57,220
Operating Profit before Working Capital Changes	37,33,976	78,43,327
Adjustments for Working Capital Changes:		
Inventories	6,31,202	11,60,641
Trade Receivables	(3,16,95,966)	(1,13,02,820)
Other financial Assets	3,32,839	24,18,053
Other Assets	8,29,447	6,91,290
Provisions for Expenses	30,817	(1,31,071)
Trade Payables	4,19,52,797	1,03,75,093
Other financial liabilities	41,11,709	(24,14,730)
Other Current Liabilities	(29,73,113)	(17,34,311)
Non Current Financial Assets	(5,45,936)	3,23,000
Cash Generation From Operations	1,26,73,795	(6,14,855)
Direct Taxes Paid/(Refund) (Net)	(3,06,318)	3,62,704
Net Cash from Operating Activities	1,61,01,453	75,91,176
B. CASH FLOW FROM INVESTING ACTIVITIES		
Acquisition of Fixed Assets (including capital work in progress)	(4,01,09,963)	(2,84,000)
Proceeds from Sale of Fixed Assets	19,89,173	4,00,000
Interest Received	7,52,744	1,67,380
Net Cash from Investing Activities	(3,73,68,046)	2,83,380
C. CASH FLOW FROM FINANCING ACTIVITIES		
Interest Paid	(57,25,786)	(32,32,437)
Repayment of Borrowings	2,76,51,672	(47,31,423)
Net Cash from Financing Activities	2,19,25,886	(79,63,860)
Net Increase (Decrease) in Cash and Cash Equivalent (A+B+C)	6,59,293	(89,303)
Cash and Cash Equivalent (Opening)	2,31,383	3,20,686
Cash and Cash Equivalent (Closing)	8,90,676	2,31,383
<p>For S. Bhalotia & Associates Chartered Accountants FRN : 325040E</p> <p style="text-align: center;"></p> <p>CA. Binod Kumar Sahoo</p> <p>Partner Membership No. : 305406 Place: Hyderabad Date : 29-06-2021 UDIN : 21305406AAAAEQ7512</p> <p style="text-align: center;"></p> <p style="text-align: right;">For and on behalf of the BOD of CDG Petchem Limited</p> <p style="text-align: right;">  Manoj Kumar Dugar Managing Director & Chairman (DIN:00352733) </p> <p style="text-align: right;">  Rajesh Kumar Dugar Director (DIN 00730059) </p> <p style="text-align: right;">  Purva Palshikar Company Secretary </p> <p style="text-align: right;">  Vijay Jain Chief Financial Officer </p>		

STANDALONE SIGNIFICANT ACCOUNTING POLICIES AND KEY ACCOUNTING ESTIMATES AND JUDGEMENTS

1. Corporate Information

CDG PETCHEM LIMITED (Formerly Urbaknitt Fabs Limited) (“the company”) is a Company registered under the Companies Act, 1956. It is a public limited company domiciled in India and is listed on the Bombay Stock Exchange (BSE). The company was incorporated on 7th February 2011, having its registered office at Plot no 10 & 11, MCH No 1-8-304 to 307/10, Pattigadda Road Hyderabad 500003 TG. The company’s CIN No. is L51100TG2011PLC072532 . The company is engaged in the manufacture of Knitted Fabrics, Mattresses and Pillows; along with Trading & Distribution of Minerals, Plasticizers, Construction, Plastic Raw Materials and Pharma Chemicals.

2. Basis of preparation

The financial statements are separate financial statements prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time). For all periods up to and including the year ended March 31, 2021 the Company prepared its financial statements in accordance with accounting standards notified under the section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP). These financial statements have been prepared and presented under the historical cost convention, on the accrual basis of accounting except for certain financial assets and financial liabilities that are measured at fair values at the end of each reporting period, as stated in the accounting policies set out below. The accounting policies have been applied consistently over all the periods presented in these financial statements.

3. Use of estimates and judgments:

The preparation of the financial statements in conformity with Ind AS requires the management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

4. Significant Accounting Policies:

(a) Business combinations and goodwill

In accordance with Ind AS 101 provisions related to first time adoption, the Group has elected to apply Ind AS accounting for business combinations prospectively from April 1, 2016. As such, Indian GAAP balances relating to business combinations entered into before that date, including goodwill, have been carried forward with minimal adjustment. The same first time adoption exemption is also used for associates and joint ventures. Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value and the amount of any non-controlling interests in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree’s identifiable net assets. Acquisition-related costs are expensed as incurred. At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognized at their acquisition date fair values. For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at their acquisition fair values irrespective of the fact that outflow of resources embodying economic benefits is not probable. Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognized for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group’s cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

(b) Revenue Recognition

Revenue is recognized and measured at the fair value of the consideration received or receivable, to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

Effective April 1, 2018, the Company adopted Ind AS 115 “Revenue from Contracts with Customers” using the cumulative catch-up transition method, applied to contracts that were not completed as of April 1, 2018. The Company has evaluated and there is no material impact of this amendment on the Financial Statement of the Company.

Other income:

Other income is comprised primarily of interest income, dividend income, gain / loss on investments and exchange gain/loss on forward and options contracts and on translation of other assets and liabilities. Interest income is recognized using the effective interest method. Dividend income is recognized when the right to receive payment is established.

(c) Property, Plant and Equipment

Property, plant and equipment are stated at cost of acquisition or construction net of accumulated depreciation and impairment loss (if any). All significant costs relating to the acquisition and installation of property, plant and equipment are capitalized. Such cost includes the cost of replacing part of the property, plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in statement of profit and loss as incurred. The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

Subsequent costs are included in the asset’s carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognized. The identified components are depreciated over their useful lives, the remaining asset is depreciated over the life of the principal asset.

Depreciation for identified components is computed on straight line method based on useful lives, determined based on internal technical evaluation. Freehold land is carried at cost.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

(d) Investment Properties

Property that is held for long-term rental yields or for capital appreciation or both is classified as investment property. Investment Property is measured at its cost, including related transaction costs and where applicable borrowing costs. Subsequent expenditure is capitalised to the asset’s carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the company and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognized. Investment Properties are depreciated using the straight-line method as per the provisions of Schedule II of the Companies Act, 2013 or based on useful life estimated on the technical assessment.

(e) Intangible Assets

Intangible assets are recognised when it is probable that the future economic benefits that are attributable to the asset will flow to the enterprise and the cost of the asset can be measured reliably.

(f) Depreciation and amortization:

Depreciation is provided on the straight-line method over the useful lives as prescribed under Part C of Schedule II of the Companies Act 2013. Depreciation for assets purchased/sold during a period is proportionately charged.

(g) Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current 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.

(h) Financial assets

Financial assets comprise of cash and cash equivalents.

Initial recognition:

All financial assets are recognised initially at fair value. Purchases or sales of financial asset that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the company commits to purchase or sell the assets.

Subsequent Measurement:

- (i) Financial assets measured at amortised cost: Financial assets held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and the contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding are measured at amortised cost using effective interest rate (EIR) method. The EIR amortization is recognised as finance income in the Statement of Profit and Loss.

The Company while applying above criteria has classified the following at amortised cost:

- a) Trade receivable
- b) Cash and cash equivalents
- c) Other Financial Asset

Impairment of Financial Assets:

Financial assets are tested for impairment based on the expected credit losses.

De-recognition of Financial Assets:

A financial asset is primarily de-recognised when the rights to receive cash flows from the asset have expired or the Company has transferred its rights to receive cash flows from the asset.

(i) Impairment of Non-Financial Assets

At each reporting date, the Company assesses whether there is any indication that an asset may be impaired. Where an indicator of impairment exists, the company makes a formal estimate of recoverable amount. Where the carrying amount of an asset exceeds its recoverable amount the asset is considered impaired and is written down to its recoverable amount.

Recoverable amount is the greater of fair value less costs to sell and value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets, in which case, the recoverable amount is determined for the cash generating unit to which the asset belongs. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

(j) Inventories

Finished Goods, work-in-process and wastage to be valued at cost or net realizable value, whichever is lower. Raw Material and Stores and Spares are valued at lower of cost or net realizable value after providing for obsolescence.

Cost comprises of all cost of purchase, cost of conversion and other cost incurred in bringing the inventory to their present location and conditions. Cost formula used is weighted average cost.

(k) Cash and Cash equivalents

Cash and cash equivalents comprise cash at bank and in hand and short-term investments with an original maturity of three months or less. Deposits with banks are subsequently measured at amortized cost and short term investments are measured at fair value through statement of profit & loss account.

(l) Financial liabilities

Initial recognition and measurement:

All financial liabilities are recognised initially at fair value and transaction cost that is attributable to the acquisition of the financial liabilities is also adjusted. These liabilities are classified as amortised cost.

Subsequent measurement:

These liabilities include are borrowings and deposits. Subsequent to initial recognition, these liabilities are measured at amortised cost using the effective interest method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss. This category generally applies to borrowings.

De-recognition of financial liabilities:

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 the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

(m) Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur. Borrowing costs consist of interest, exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost and other costs that an entity incurs in connection with the borrowing of funds. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

(n) Employee Benefits

Employee benefits are charged to the Statement of Profit and Loss for the year.

Provident Fund

Retirement benefits in the form of Provident Fund are defined contribution scheme and such contributions are recognized, when the contributions to the respective funds are due. There are no other obligation other than the contribution payable to the respective funds.

Gratuity

The Company has not created any gratuity fund. However adequate provisions have been made in the accounts for gratuity liability. The benefit vests upon completion of five years of continuous service and once vested it is

payable to employees on retirement or on termination of employment. In case of death while in service, the gratuity is payable irrespective of vesting.

Compensated absences

Liability in respect of compensated absences becoming due or expected to be availed within one year from the balance sheet date is recognised on the basis of undiscounted value of estimated amount required to be paid or estimated value of benefit expected to be availed by the employees.

Short-term employee benefits

Expense in respect of other short term benefits is recognised on the basis of the amount paid or payable for the period during which services are rendered by the employee.

(o) Income Taxes

Income tax expense is comprised of current and deferred taxes. Current and deferred tax is recognized in net income taxes for the current period, including any adjustments to tax payable in respect of previous years, are recognized and measured at the amount expected to be recovered from or payable to the taxation authorities based on the tax rates that are enacted or substantively enacted by the end of the reporting period.

Deferred income tax

Deferred income tax assets and liabilities are recognized for temporary differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax base using the tax rates that are expected to apply in the period in which the deferred tax asset or liability is expected to settle, based on the laws that have been enacted or substantively enacted by the end of reporting period. Deferred tax assets and liabilities are not recognized if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable income nor the accounting income.

Minimum Alternative Tax (MAT)

MAT credit is recognised as an asset only when and to the extent there is convincing evidence that the company will pay normal income tax during the specified period. In the year in which the MAT credit becomes eligible to be recognized as an asset in accordance with the recommendations contained in Guidance Note issued by the Institute of Chartered Accountants of India, the said asset is created by way of a credit to the statement of profit and loss and shown as MAT Credit Entitlement. The company reviews the same at each balance sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that company will pay normal Income Tax during the specified period.

(p) Leases

As a lessee

Leases of property, plant and equipment where the company, as lessee, has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lease's inception at the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding rental obligations, net of finance charges, are included in borrowings or other financial liabilities as appropriate. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to the profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the company as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

As a lessor

Lease income from operating leases where the company is a lessor is recognised 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.

Lease-hold land: Leasehold land that normally has a finite economic life and title which is not expected to pass to the lessee by the end of the lease term is treated as an operating lease. The payment made on entering into or

acquiring a leasehold land is accounted for as leasehold land use rights (referred to as prepaid lease payments in Ind AS 17 “Leases”) and is amortized over the lease term in accordance with the pattern of benefits provided.

(q) Provisions, contingent assets and contingent liabilities

Provisions are recognized only when there is a present obligation, as a result of past events, and when a reliable estimate of the amount of obligation can be made at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. Provisions are discounted to their present values, where the time value of money is material.

Contingent liability is disclosed for:

- Possible obligations which will be confirmed only by future events not wholly within the control of the Company or
- Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

Contingent assets are neither recognized nor disclosed. However, when realization of income is virtually certain, related asset is recognized.

(r) Fair value measurement

In determining the fair value of its financial instruments, the Company uses following hierarchy and assumptions that are based on market conditions and risks existing at each reporting date. Fair value hierarchy:

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised 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 assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

(s) Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for events of bonus issue. For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

(t) Cash dividend to equity holders of the Company

The Company recognises a liability to make cash distributions to equity holders of the Company when the distribution is authorised and the distribution is no longer at the discretion of the Company. Final dividends on shares are recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Company’s Board of Directors.

CDG PETCHEM LIMITED (Formerly Urbaknitt Fabs Limited) Notes forming part of the Consolidated Financial Statements (All amounts in Indian Rupees, unless otherwise stated) Consolidated Statement of Changes in Equity for the Year ended 31st March 2021		
A. Equity Share capital		
Particulars	No of shares	In Rupees
Balance as at 1 April 2019	30,77,500	3,07,75,000
Changes in equity share capital during 2019-20	-	-
Balance as at 31 March 2020	30,77,500	3,07,75,000
Balance as at 1 April 2020	30,77,500	3,07,75,000
Changes in equity share capital during 2020-21	-	-
Balance as at 31 March 2021	30,77,500	3,07,75,000
B. Other equity		
		₹
Particulars	Reserves and Surplus	Total
	Retained Earnings	
Balance as at 1 April, 2019 (A)	59,66,349	59,66,349
Additions during the year:		
Profit for the year	81,24,494	81,24,494
Other Comprehensive Income (net of tax)	-	-
Total Comprehensive Income for the year 2019-20 (B)	81,24,494	81,24,494
Transfer In/Out General Reserve	-	-
Balance at 31 March 2020 (C=A+B)	1,40,90,843	1,40,90,843
Balance at 1 April 2020 (D)	1,40,90,843	1,40,90,843
Additions during the year:		
Profit for the year	(15,17,464)	(15,17,464)
Other Comprehensive Income (net of tax)	-	-
Total Comprehensive Income for the year 2020-21 (E)	(15,17,464)	(15,17,464)
Balance as at 31 March 2021 (F=D+E)	1,25,73,378	1,25,73,378
As per our report of even date attached For S. Bhalotia & Associates Chartered Accountants FRN : 325040E		
For CDG Petchem Limited		
CA. Binod Kumar Sahoo Partner Membership No. : 305406 Place: Hyderabad Date: 29-06-2021 UDIN : 21305406AAAER3910		<div style="display: flex; justify-content: space-around;"> <div style="text-align: center;">  Manoj Dugar Managing Director & Chairman (DIN:00352733)  Purva Palshikar Company Secretary </div> <div style="text-align: center;">  Rajesh Kumar Dugar Director (DIN:00730059)  Vijay Jain Chief Financial Officer </div> </div>

CDG PETCHEM LIMITED
(Formerly Urakouit Fabs Limited)

Notes forming part of the Standalone Financial Statements
(All amounts in Indian Rupees, unless otherwise stated)

Note 5: Fixed assets

Tangible assets

Particulars	Useful Life (in years)	Gross Block- at cost				Depreciation				Net Block	
		As at April 01, 2020	Additions	Disposals	As at 31st March 2021	Upto 31st March, 2020	For the period	On deletions	As at 31st March 2021	As at 31st March 2021	As at March 31, 2020
Land	-	-	1,48,84,071	-	1,48,84,071	-	-	-	-	1,48,84,071	-
Building	30.00	-	1,36,00,000	-	1,36,00,000	-	1,27,564	-	1,27,564	1,34,72,436	-
Plant and Machinery	15.00	2,48,08,884	1,11,36,000	18,37,294	3,41,07,590	32,59,444	17,68,694	3,05,795	47,22,343	2,93,85,247	2,15,49,440
Computers	3.00	3,11,185	-	-	3,11,185	2,58,099	37,527	-	2,95,626	15,559	53,086
Electrical Installation and Equipment	10.00	58,70,256	1,28,770	-	59,99,026	14,03,787	5,60,507	-	19,64,294	40,34,732	44,66,469
Furniture and Fixtures	10.00	5,43,057	-	-	5,43,057	1,40,070	51,590	-	1,91,660	3,51,397	4,02,987
Vehicles	8.00	10,87,008	-	-	10,87,008	3,44,615	1,29,082	-	4,73,697	6,13,311	7,42,393
Office Equipment	5.00	8,17,843	3,61,122	-	11,78,965	4,44,387	1,76,783	-	6,21,170	5,57,795	3,73,456
Total (A)		3,34,38,234	4,01,09,963	18,37,294	7,17,10,903	58,50,402	28,51,748	3,05,795	83,96,355	6,33,14,548	2,75,87,832

₹



CDG Petchem Limited
(Formerly Urbaknitt Fabs Limited)

Notes forming part of the Standalone Financial statements
(All amounts in Indian Rupees, unless otherwise stated)

6. Investments

Particulars	As at 31st March, 2021	As at 31st March, 2020
Equity Instruments (Unquoted-at cost) (In Subsidiary Co.)		
Morbido Merchandise Private Limited (C.Y 1,00,000 Equity shares, P.Y 1,00,000 Equity Shares of Rs 10/- each fully paid up)	10,19,964	10,19,964
Total	10,19,964	10,19,964

7. Deposits

Particulars	As at 31st March, 2021	As at 31st March, 2020
(Unsecured, Considered Good)		
Rent Deposit	7,41,500	2,41,500
Water Deposit	1,600	1,600
Electricity Deposit	3,75,000	3,75,000
Other Deposit	55,000	55,000
Total	11,73,100	6,73,100

8. Other non-current assets

Particulars	As at 31st March, 2021	As at 31st March, 2020
(Unsecured, Considered Good)		
Capital Advances	47,51,736	47,05,800
Note:- Capital Advances are in the nature of amount paid for purchase of Machinery to Swastik Sales Corporation ` 7,00,000/- (P.Y. ` 7,00,000/-), to Navrang Machinery Pvt Ltd ` 25,000/- (P.Y. ` 25,000/-) and for purchase of Plot at Yadadri Bhuvanagiri District from TIF Industrial Parks Pvt Ltd ` 40,26,736/- (P.Y. ` 39,80,80/-)		
Total	47,51,736	47,05,800

9. Inventory

Particulars	As at 31st March, 2021	As at 31st March, 2020
Finished Goods	50,99,037	146,51,322
Finished Stock of Traded Goods	95,55,474	37,000
Work-in-Progress/at job work	14,87,052	37,47,429
Raw Material	23,55,439	6,92,453
Total	184,97,001	191,28,203

Refer Note No 4(j)

10. Trade Receivables

Particulars	As at 31st March, 2021	As at 31st March, 2020
Unsecured		
Considered Good	577,42,093	260,46,127
Total	577,42,093	260,46,127

11. Cash and Bank Balances

Particulars	As at 31st March, 2021	As at 31st March, 2020
Cash & Cash equivalents		
Cash in Hand	3,58,618	1,50,514
Balances with Banks - In Current Accounts	5,32,058	80,869
Total	8,90,676	2,31,383

12. Other Financial Assets

Particulars	As at 31st March, 2021	As at 31st March, 2020
(Unsecured, Considered Good)		
Advance to Suppliers	89,195	86,134
Staff Advances	-	64,943
Other Advances	89,060	3,60,017
Total	1,78,255	5,11,094

13. Other Current Assets

Particulars	As at 31st March, 2021	As at 31st March, 2020
(Unsecured, Considered Good)		
Balances with Government Authorities	42,27,203	50,79,319
	22,670	-
Advance recoverable in cash of kind, for which value to be received		
Income Tax Refundable	66,975	(2,16,387)
Total	43,16,847	48,62,932

CDG PETCHEM LIMITED
(Formerly Urbaknitt Fabs Limited)
CIN: L51100TG2011PLC072532

CDG PETCHEM LIMITED (Formerly Urbaknitt Fabs Limited) CIN: L51100TG2011PLC072532				
14 . Equity Share Capital				
Particulars	As at March 31st, 2021		As at March 31st, 2020	
	Number of shares	Amount (₹)	Number of shares	Amount (₹)
Authorized Capital 50,00,000 equity shares of Rs. 10/- each	50,00,000	5,00,00,000	50,00,000	5,00,00,000
Issued, Subscribed and Paid-up Capital 30,77,500 equity shares of Rs. 10/- each fully paid up	30,77,500	3,07,75,000	30,77,500	3,07,75,000
a) Terms / rights attached to Equity Shares The company has only one class of issued equity shares having a par value of Rs.10/- per share. Each shareholder is entitled to one vote per share. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.				
b) Reconciliation of Shares Outstanding at the beginning and at the end of the reporting year:				
Particulars	As at March 31st, 2021		As at March 31st, 2020	
	Number of Shares	Amount (₹)	Number of Shares	Amount (₹)
Equity Shares of Rs.10/- each fully paid up				
Shares outstanding at the beginning of the year	30,77,500	307,75,000	30,77,500	307,75,000
Shares Issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	30,77,500	307,75,000	30,77,500	307,75,000
c) Details of shareholders holding more than 5% shares in the Company				
Name of the shareholder	As at March 31st, 2021		As at March 31st, 2020	
	Number of shares	% of holding	Number of shares	% of holding
Tara Devi Dugar	3,69,325	12.00%	3,69,325	12.00%
Renu R Dugar	3,00,362	9.76%	3,00,362	9.76%
Balram Chainrai & Anita Chainrai Advani	2,94,000	9.55%	2,94,000	9.55%
Rajesh Kumar Dugar	2,76,975	9.00%	2,76,975	9.00%
Manoj Kumar Dugar	2,56,525	8.34%	2,56,525	8.34%
Divay Dugar	2,46,255	8.00%	2,46,255	8.00%
Chirag Dugar	2,46,250	8.00%	2,46,250	8.00%
Renu M Dugar	2,15,360	7.00%	2,15,360	7.00%
Total	22,05,052		22,05,052	
The shareholding information has been extracted from the records of the Company including register of shareholders/ members and is based on legal ownership of shares.				

CDG PETCHEM LIMITED		
(Formerly Urbaknitt Fabs Limited)		
Notes forming part of the Standalone Financial Statements		
(All amounts in Indian Rupees, unless otherwise stated)		
15. Other equity		
Particulars	Reserves and Surplus	Total
	Retained Earnings	
Balance as at 1 April, 2019(A)	(60,02,331)	(60,02,331)
Additions during the year:		-
Profit for the year	20,35,741	20,35,741
Total Comprehensive Income for the year 2019-20 (B)	20,35,741	20,35,741
Balance at 31 March 2020 (C=A+B)	(39,66,590)	(39,66,590)
Balance at 1 April 2020 (D)	(39,66,590)	(39,66,590)
Additions during the year:		-
Profit for the year	(41,21,440)	(41,21,440)
Total Comprehensive Income for the year 2020-21 (E)	(41,21,440)	(41,21,440)
Balance as at 31st March 2021 (F=D+E)	(80,88,030)	(80,88,030)
Description of nature and purpose of reserve is as follows		
Retained earnings: Retained earnings comprise of net accumulated profit/(loss) of the company, after declaration of dividend.		
16. Borrowings		
Particulars	As at 31st March, 2021	As at 31st March, 2020
Secured		
Vehicle Loan from bank (against hypothecation of vehicle) (repayable in 60 equal number of instalments at an average rate of 9.61%)	1,25,822	2,99,257
Term Loan from ICICI Bank*	163,33,333	-
<u>Primary Security:</u> Exclusive charge over Fixed Assets & Current Assets of the company both current & future.		
<u>Collateral Security:</u> Exclusive charge over industrial property located at SY No 4/1, Part of Kapnoor Village, Kasaba Hobli, Gulbarg Taluka, Gulbarg District, Karnataka measuring 7,030 sq.mtrs.		
<u>Terms of Repayment:</u> repayable in 18 quarterly instalments payable on last date of quarter after moratorium period of 6 months		
<u>Interest Rate:</u> repo rate plus spread per annum payable on the last date of each month.		
Unsecured		
Loans from Related Parties	1,56,93,362	3,24,81,667
	3,21,52,517	3,27,80,924
Less: Current maturities of vehicle loan	1,25,822	1,73,745
Total (A-B)	3,20,26,695	3,26,07,179

17. Deferred Tax Liability (Net)		
Particulars	As at 31st March, 2021	As at 31st March, 2020
(A)Deferred Tax (Asset)/Liability at the beginning of the year	20,86,087	18,35,721
Add/Less: Deferred Tax (Asset)/ Liability for the year, on account of depreciation	4,65,344	2,50,366
	25,51,430	20,86,087
Less: (B) MAT Credit Entitlement	(8,59,202)	(8,59,202)
Total (A-B)	16,92,228	12,26,885
18: Borrowings		
Particulars	As at 31st March, 2021	As at 31st March, 2020
Secured		
Working Capital Loan from ICICI Bank*	282,32,156	-
Total	282,32,156	-
19: Trade payables		
Particulars	As at 31st March, 2021	As at 31st March, 2020
For Goods & Services		
- Total Outstanding dues of Micro and Small Enterprises	530,44,418	142,07,363
- Total Outstanding dues Other than Micro and Small Enterprises	47,06,492	15,90,750
	577,50,910	157,98,113
20: Other Financial Liabilities		
Particulars	As at 31st March, 2021	As at 31st March, 2020
Current Maturities of Long Term Debts- Secured*	47,92,489	1,73,745
Creditors for expenses	10,69,082	13,89,730
Creditors for Capital Goods	6,61,827	6,61,827
Statutory dues payable	(1,29,670)	56,717
Total	63,93,728	22,82,019
21: Other Current Liabilities		
Particulars	As at 31st March, 2021	As at 31st March, 2020
Interest Payable to Subsidiary Company	-	28,48,791
Audit Fees Payable	74,000	60,000
Advance from Customers	8,617	75,137
Other Liabilities	26,50,152	27,21,953
Total	27,32,769	57,05,881
22: Provisions		
Particulars	As at 31st March, 2021	As at 31st March, 2020
Provision for Employee Benefit	1,25,019	1,94,038
Provision for Expenses	2,43,746	1,43,910
Total	3,68,765	3,37,948

CDG PETCHEM LIMITED (Formerly Urbaknitt Fabs Limited)		
Notes forming part of the Standalone Financial Statements (All amounts in Indian Rupees, unless otherwise stated)		
23. Revenue from operations		
Particulars	For the Period ending 31st March, 2021	For the Period ending 31st March, 2020
Sales of Finished goods	3,81,17,081	3,82,48,495
Sales of Traded goods	14,39,23,605	19,95,22,997
Less: Discount	-	(34,33,316)
	18,20,40,686	23,43,38,176
Less: Duties & Taxes	275,14,781	329,93,654
Total	1545,25,905	2013,44,521
24: Other Income		
Particulars	For the Period ending 31st March, 2021	For the Period ending 31st March, 2020
Commission	4,30,470	15,51,768
Interest Income	7,47,838	1,67,380
Insurance Claim	5,449	1,45,395
Profit on sale of Asset	4,57,674	56,280
Interest on Income Tax Refund	4,906	25,920
Rent Received	5,00,000	-
Discount Received	86,691	-
Total	22,33,027	19,46,743
25: Cost of Materials Consumed		
Particulars	For the Period ending 31st March, 2021	For the Period ending 31st March, 2020
Opening Stock of raw material	6,92,453	43,15,821
Add:- Purchase of Raw Materials	71,86,138	1,70,45,031
Add:-Purchase of Traded Goods	12,97,71,775	16,54,64,798
(Less):- Closing Stock of Raw Material	23,55,439	6,92,453
Total	13,52,94,928	18,61,33,198
26: Changes in Inventories of Finished Goods, Stock in Trade & Work- in Progress		
Particulars	For the Period ending 31st March, 2021	For the Period ending 31st March, 2020
Increase/Decrease in stock of Finished Goods & Semi-finished Goods		
Inventories (at opening)		
Finished Goods	146,51,322	99,03,674
Finished Stock of Traded Goods	37,000	-
Work-in-Progress	37,47,429	60,69,349
Total (A)	1,84,35,750	1,59,73,023
Inventories (at close)		
Finished Goods	50,99,037	1,46,51,322
Finished Stock of Traded Goods	95,55,474	37,000
Work-in-Progress	14,87,052	37,47,429
Total (B)	1,61,41,562	1,84,35,750
Total (A-B)	22,94,188	(24,62,727)

27: Employee benefit expenses		
Particulars	For the Period ending 31st March, 2021	For the Period ending 31st March, 2020
Salaries and Wages	20,92,671	48,09,325
Directors Remuneration	6,00,000	6,00,000
Total	26,92,671	54,09,325
28: Finance cost		
Particulars	For the Period ending 31st March, 2021	For the Period ending 31st March, 2020
Bank Charges	2,002	4,814
Interest Expense	54,73,784	32,27,622
Other Borrowing Costs	2,50,000	-
Total	57,25,786	32,32,437
29: Other expenses		
Particulars	For the Period ending 31st March, 2021	For the Period ending 31st March, 2020
Manufacturing Expenses		
Power and Fuel	3,49,609	13,81,665
Consumables Stores and Spares Consumed	91,100	86,910
Carriage Inward	7,40,566	-
Total Manufacturing Expenses (A)	11,81,275	14,68,575
Administrative Expenses		
Professional and Consultancy Charges	3,66,606	278316
Software Development Expenses	65,000	-
Insurance Charges	73,229	1,53,358
Printing & Stationery	88,149	1,58,458
Donation	1,00,000	-
Repairs & Maintenance		
-Buildings	-	21,575
-Plant & Machinery	73,910	-
-Others	10,86,680	5,00,680
Rent, Rates and Taxes	13,92,407	16,08,827
Audit Fees	1,10,000	80,000
Postage & Courier Charges	89,353	71,335
Annual Issuer Fees (CDSL)	4,62,055	3,91,302
Travelling Expenses	86,034	65,358
Miscellaneous Expenses	8,73,863	1,88,473
Total Administrative Expenses (B)	48,67,286	35,17,681
Selling & Distribution Expenses		
Freight Outward	33,13,959	10,67,198
Advertisement/ Business Promotion Expenses	4,88,912	91,027
Commission on Sales	16,81,318	-
Total Selling & Distribution Expenses (C)	54,84,189	11,58,225
Total (A+B+C)	1,15,32,751	61,44,481

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

30 .Related Party Disclosure

(a) Name of the Related Parties and related party relationship

Enterprises owned or significantly influenced by key management personnel or their relatives:

- (i) M/s. Ayushman Merchants Private Limited.
- (ii) M/s. Ayushman Solutions Private Limited.
- (iii) M/s. Dugar Polymers Limited.
- (iv) Defodil Dealcom Private Limited.
- (v) Morbido Merchandise Private Limited.
- (vi) Du-Luk Polymers Private Limited.
- (vii) Basudeo Enterprises Private Limited.
- (viii) Dugar Ventures LLP

Key Managerial Personnel

- (i) Mr. Manoj Dugar
- (ii) Mr. Chirag Dugar

Subsidiary Company: M/s Morbido Merchandise Private Limited.

(b) The following transactions were carried out with related parties in the ordinary course of business during the year:

Figures in Rupees

Sl.No.	Nature of Transaction	Name of the Related Parties	2020-21	2019-20
1	Purchase of Goods	Ayushman Merchants Pvt Ltd	3,31,473/-	35,400/-
		Dugar Polymers Limited	83,45,061/-	1,93,47,034/-
		Du-Luk Polymers Pvt Limited	70,936/-	1,96,066/-
		Morbido Merchandise Pvt Ltd	3,69,96,485/-	29,95,018/-
		Total	4,57,43,955/-	2,25,73,518/-
2	Sale of Goods	Ayushman Merchants Pvt Ltd	2,85,984/-	60,08,323/-
		Dugar Polymers Limited	2,49,853/-	26,86,211/-
		Morbido Merchandise Pvt Ltd	30,13,170/-	98,31,906/-
		Total	35,49,007/-	1,85,26,440/-
3	Remuneration	Manoj Dugar	6,00,000/-	6,00,000/-
		Total	6,00,000/-	6,00,000/-
4	Interest Payable (On delayed payment)	Morbido Merchandise Pvt Ltd	32,69,448/-	31,65,323/-
5	Interest Payable	Defodil Dealcom Pvt Ltd	-	18,017/-
		Dugar Ventures LLP	6,93,362/-	-
		Total	39,62,810/-	31,83,340/-

Sl.No.	Nature of Transaction	Name of the Related Parties	2020-21	2019-20
		a. Morbido Merchandise Pvt Ltd		
		Opening Balance(incl interest payable)	3,53,30,457/-	3,54,76,666/-
		Add: (Given)/taken during the year	9,41,81,286/-	33,99,968/-
		Less: Repaid During the year	(13,27,81,191)/-	(67,11,500)/-
		Add: Interest payable/ (receivable)	32,69,448/-	31,65,323/-
		Closing balance	-	3,53,30,457/-
		b. Defodil Dealcom Pvt Ltd		
		Opening Balance	-	64,07,274/-
		Add: (Given)/taken during the year	-	
		Add: Interest payable/ (receivable)	-	16,216/-
		Less: Repaid During the year	-	(64,23,490)/-
		Closing balance	-	-
		c. Ayushman Merchants Pvt Ltd		
		Opening Balance(incl interest payable)	-	-
		Add: (Given)/taken during the year	1,50,00,000/-	-
		Less: Repaid During the year	1,50,00,000/-	-
		Add: Interest payable/ (receivable)	-	-
		Closing balance	-	-
		d. Dugar Ventures LLP		
		Opening Balance(incl interest payable)	-	-
		Add: (Given)/taken during the year	1,57,63,559/-	-
		Less: Repaid During the year	7,63,559/-	-
		Add: Interest payable/ (receivable)	6,93,362/-	-
		Closing balance	1,56,93,362/-	-

Disclosure required under Section 186(4) of the Companies Act 2013

Disclosure pursuant to Securities Exchange Board of India (Listing Obligation and Disclosure Requirement and Regulation 2015) and Section 186 of the Companies Act 2013 is disclosed in note no: 30

31. In the opinion of Board of Directors and to the best of their knowledge and belief, the value on realization of current assets, loans and advances in the ordinary course of business, would not be less than the amount at which the same are stated in the Balance Sheet.

32. Earnings Per Share (EPS)

Particulars	Figures in Rupees	
	2020-21	2019-20
Net Profit/(loss) after Tax	(41,21,440)	20,35,740/-
Net Profit/ (loss) after Tax available for equity share holders - For Basic and Diluted EPS	(41,21,440)	20,35,740/-
Weighted Average No. Of Equity Shares For Basic/Diluted EPS (No.s)	30,77,500	30,77,500
Nominal Value of Equity Shares	10/-	10/-
Basic/Diluted Earnings Per Equity Share	-1.34	0.66

33. Contingent Liabilities and Commitments (to the extent not provided for)

Particulars	As at 31-03-2021	As at 31-03-2020
	Rupees	Rupees
Contingent Liabilities	-	-
Commitments:		
Guarantees issued by banks	-	-

Segment Reporting:

The Company has primary business of trading and manufacturing of knitted products and chemicals, 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.

34. Financial risk management objectives and policies

The Company's principal financial liabilities comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance and support Company's operations. The Company's principal financial assets include inventory, trade and other receivables, cash and cash equivalents and land advances and refundable deposits that derive directly from its operations. The Company is exposed to market risk, credit risk and liquidity risk.

A. Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises two types of risk: interest rate risk and other price risk, such as equity price risk and commodity/ real estate risk. Financial instruments affected by market risk include loans and borrowings and refundable deposits

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's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates. The Company manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings. The Company does not enter into any interest rate swaps.

B. Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including refundable joint development deposits, security deposits, loans to employees and other financial instruments.

Trade receivables

- i. Receivables resulting from sale of properties: Customer credit risk is managed by requiring customers to pay advances before transfer of ownership, therefore, substantially eliminating the Company's credit risk in this respect.
- ii. Receivables resulting from other than sale of properties: The firm has established credit limits for customers and monitors their balances on ongoing basis. Credit Appraisal is performed before leasing agreements are entered into with customers. The risk is also marginal due to customers placing significant amount of security deposits for lease and fit out rentals.

Financial Instrument and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Company's Finance department in accordance with the Company's policy. Investments of surplus funds are reviewed and approved by the Company's Board of Directors on an annual basis. The Company's maximum exposure to credit risk for the components of the statement of financial position at 31 March 2021 and 2020 is the carrying amounts.

C. Liquidity risk

The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank deposits and loans.

The table below summarizes the maturity profile of the Company's financial liabilities based on contractual undiscounted payments.

Figures in Rupees

Year Ended	On Demand	3 to 12 Months	1 to 5 Years	>5 Years	Total
31-Mar-21					
Borrowings	-	3,30,24,645/-	3,30,26,695/-	-	6,50,51,340/-
		3,30,24,645/-	3,30,26,695/-	-	6,50,51,340/-
31-Mar-20					
Borrowings	-	1,73,745/-	3,26,07,179/-	-	3,27,80,924/-
		1,73,745/-	3,26,07,179/-	-	3,27,80,924/-

35. Capital Management

For the purpose of the Company's capital management, capital 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 maximize the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company includes within net debt, interest bearing loans and borrowings, trade and other payables, less cash and cash equivalents.

Figures in Rupees

Particulars	31 Mar 2021	31 Mar 2020
Borrowings (Long term and Short term including Current maturity of Long term Borrowings) Note 16 & 20	6,50,51,340/-	3,27,80,924/-
Other Payable (current and non-current, excluding current maturity of long term borrowings) Note 19,20,21 & 22	6,24,53,681/-	2,41,66,603/-
Less Cash and Cash Equivalents	8,90,676/-	2,31,383/-
Net Debt	12,66,14,345/-	5,71,78,910/-
Equity Share capital	3,07,75,000/-	3,07,75,000/-
Other Equity	(80,88,030)/-	(39,66,590)/-
Total Capital	2,26,86,970/-	2,68,08,410/-
Capital and Net debt	14,93,01,315/-	8,39,87,320/-
Gearing ratio (in %)	84.80	68.08

36. Impact of COVID-19: The outbreak of novel Coronavirus (COVID-19) .Pandemic globally and in India and the consequent lockdown restrictions imposed by national governments is causing significant disturbance and slowdown of economic activity across the globe. The Company has assessed the possible effects that may arise from the COVID-19 pandemic on the business. As on the current date, based on the assessment, the Company has concluded that the impact of COVID – 19 pandemic is not material on the carrying value of the assets of the business, however this has effected the operations of the company and has had impact on sales and profitability among others. Due to the nature of the pandemic and the resultant operational guidelines that may be announced by the governments in

future, the Company will continue to monitor the developments to identify significant impact, if any in the future period.

37. The management has considered the possible effects, if any that made result from the pandemic relating to COVID-19 on the carrying amount of trade receivables and inventories. In developing the assumptions and estimates relating to the uncertainty as at the balance sheet date in relation to the recoverable amount of these assets. The management has considered the global economic conditions prevailing as that the date of approval of these financial results and has used internal and external source of information to the extent determined by it. The actual outcome of these assumptions and estimate may vary in future due to the impact of the pandemic.
38. The company's unit which has to suspend operations temporarily due to government directives relating to COVID-19, have since resume partial operations, as per the Guidelines and norms prescribed by the government authorities.
39. Trade Payable & Trade Receivables balances are subject to confirmation.
40. Goods and Services Tax has been reduced from sales in the Statement of Profit & Loss.
41. Outstanding dues to the Micro, Small & Medium Enterprises as defined under the Micro, Small & Medium Enterprises Development Act, 2006, has been disclosed to the extent information obtained from the vendors.
42. Previous year's figures have been regrouped and rearranged, wherever found necessary.

As per our report of even date attached

For S. Bhalotia & Associates

**Chartered Accountants,
CA. Binod Kumar Sahoo
Partner
M. No. 305406
Firm Reg No.325040E**

**Place: Hyderabad
Date : 29-June-2021
UDIN : 21305406AAAAEQ7512**

**For and on behalf of the board,
CDG PETCHEM LIMITED
(Formerly Urbaknitt Fabs Limited)**

**Sd/
Manoj Kumar Dugar
Managing Director & chairman
DIN: 00352733**

Independent Auditors' Report on Consolidated Financial Statements

To the Members of **CDG PETCHEM LIMITED** (Formerly **Urbaknitt Fabs Limited**)

Report on the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of **CDG PETCHEM LIMITED** (Formerly **Urbaknitt Fabs Limited**) (herein after referred to as "The Holding Company") and one of its subsidiary **MORBIDO MERCHANDISE PRIVATE LIMITED** (collectively referred to as "the Group"), comprising of the consolidated balance sheet as at 31 March 2021, the consolidated statement of profit and loss including other comprehensive income, the consolidated cash flow statement, the consolidated statement of changes in Equity for the year then ended, and notes to the consolidated financial statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of other financial information of the subsidiary, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group, as at 31 March 2021, and their consolidated profit including other comprehensive Income, their consolidated cash flows and consolidated statement of changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013, as amended ("the Act"). Our responsibilities under those Standards are further described in the Auditor's responsibilities for the audit of the "Consolidated Financial Statements" section of our report. We are independent of the group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the rules there under, and we have fulfilled our 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.

Emphasis of Matter

We draw our attention to Note 42 of the consolidated financial statements, as regards to the management evaluation of COVID – 19 impacts on the future performance of the Company. Our opinion is not modified in respect of this matter.

Key Audit Matters

Key Audit Matters are those matters that, in our professional judgment, were of most significance in our audit of Consolidated Financial Statements for the current period. These matters were addressed in the context of our audit of the Consolidated 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.

Physical Inventory Verification	Principal Audit Procedures
<p>The auditor’s responsibility is to ascertain whether the management has satisfactory procedures for physical verification of inventories, so that in the normal circumstances the programme of physical verification will cover all material items of inventories at least once during the year.</p> <p>Due to COVID-19 pandemic and resulting countrywide shutdown, the programme of physical verification of inventories of stores and spares could not be completed.</p> <p>As per relevant Guidance Note, Auditors are advised to witness implementation of physical verification programme; however, due to the unfavorable circumstances our presence was not possible.</p>	<p>Our audit procedures included but are not limited to detailed written confirmations of inventories held by the stores in-charge of different locations.</p> <p>We have tested the effectiveness of controls present for inwards and issues for consumption.</p> <p>We have selected samples of current year purchases present in closing stock and have verified there Goods Receipt Notes and subsequent payments made by the company.</p> <p>We have employed analytical procedures such reconciliation of quantities of opening stock, purchases, consumption and closing stock; comparison of current year gross profit ratio with the gross profit ratio for the previous year; comparison of significant ratios relating to inventories with the similar ratios for other company in the same industry.</p>

We have determined that there are no other key audit matters to communicate in our report.

Other Information

The Holding Company’s Board of Directors is responsible for the other information. The other information comprises the information included in the annual report, but does not include the Consolidated financial statements and our auditor’s report thereon.

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

In connection with our audit of the Consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

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

Management’s Responsibility and those charged with Governance for the Consolidated Financial Statements

The holding company’s Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (“the Act”) that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Companies Act, 2013 (hereinafter referred to as “the Act”) read with Rule 7 of the Companies (Accounts) Rules, 2014 the Companies (Indian Accounting Standards) Rules, 2015, as amended. The respective Board of Directors of the Companies included in Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which has been used for the purpose of preparation of the consolidated financial statements by the Directors of the holding company, as aforesaid.

In preparing the Consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group is responsible for overseeing financial reporting process of the Group.

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

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

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

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

Materiality is the magnitude of misstatements in annual consolidated financial statements that individually or in aggregate, makes it probable that the economic decisions of reasonably knowledgeable user of consolidated 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 Annual Consolidated Financial Statements.

We communicate with those charged with governance of Holding Company and such other entities included in the consolidated Financial Statements of which are independent auditors 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 consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

As required by section 143(3) of the Act, we report, to the extent applicable 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 purpose of our audit of aforesaid consolidated financial statements.
- b. In our opinion proper books of account as required by law relating to preparation of aforesaid consolidated financial statements have been kept by the Company so far as appears from our examination of those books and the reports of the group company.
- c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with relevant books of account and records maintained for the purpose of preparation of consolidated financial statements.
- d. In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 Companies (Indian Accounting Standards) Rules, 2015, as amended;
- e. On the basis of written representations received from the directors of Holding Company as on March 31, 2021, and taken on record by the Board of Directors of Holding Company and the report of the statutory auditors of subsidiary company, incorporated in India, none of the directors of the Group Companies, incorporated in India, is disqualified as on March 31, 2021, from being appointed as a directors in terms of Section 164(2) of the Act.
- f. With respect to the adequacy of the internal financial controls with reference to consolidated financial statements of the Group and the operating effectiveness of such controls, refer to our separate report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

h. With respect to other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:


- (i) The consolidated financial statements disclose the impact, if any, of pending litigations on the consolidated financial position of the Group, to the consolidated financial statements
- (ii) The Group did not have any long-term contracts including derivative contracts as at March 31, 2021; as such the question of commenting on any material foreseeable losses thereon does not arise
- (iii) There has been no delaying in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding company and its Subsidiary Company, incorporated in India.






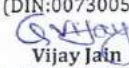
For S. Bhalotia & Associates
(Chartered Accountants)
Firm's Registration no.: 325040E

CA Binod Kumar Sahoo
(Partner)

Membership No: 305406

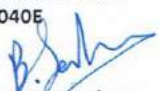
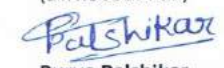


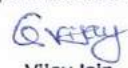
Place: Hyderabad
Date: 29th day of June, 2021
UDIN: 21305406AAAAER3910

CDG PETCHEM LIMITED			
(Formerly Urbaknitt Fabs Limited)			
CIN: L51100TG2011PLC072532			
Consolidated Statement of Assets and Liabilities as on 31st March, 2021			
₹			
Particulars		As at March 31, 2021	As at March 31, 2020
Non-current assets			
(a) Property, plant and equipment	6	6,60,42,537	3,07,47,859
(b) Financial Assets			
- Deposits	7	15,96,257	10,76,257
(c) Other non-current assets	8	47,51,736	47,05,800
		7,23,90,530	3,65,29,916
Current assets			
(a) Inventories	9	3,23,42,484	3,77,08,310
(b) Financial assets			
- Trade receivables	10	17,25,56,999	19,58,82,547
- Cash and bank balances	11	15,37,497	8,23,855
- Others financial assets	12	14,01,801	1,72,48,043
(c) Other current assets	13	65,69,485	80,39,373
		21,44,08,265	25,97,02,129
Total assets		28,67,98,796	29,62,32,045
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	14	3,07,75,000	3,07,75,000
(b) Other Equity	15	1,25,73,379	1,40,90,843
Equity attributable to owners		4,33,48,379	4,48,65,843
Non-controlling interest		-	-
Sub - Total Equity		4,33,48,379	4,48,65,843
LIABILITIES			
Non Current Liabilities			
(a) Financial liabilities			
- Borrowings	16	6,18,31,808	5,46,43,090
(b) Deferred tax liabilities (net)	17	17,84,441	13,47,355
Current liabilities			
(a) Financial Liabilities			
- Borrowings	18	11,18,91,304	6,70,07,146
- Trade Payables	19		
a) total outstanding dues of micro enterprises and small enterprises; and - -		98,42,021	1,85,67,258
b) total outstanding dues of creditors other than micro enterprises and small enterprises		2,76,24,996	7,13,08,390
- Other financial liabilities	20	1,37,38,466	46,86,350
(b) Other current liabilities	21	1,62,78,617	3,31,00,414
(c) Provisions	22	4,58,765	7,06,198
		24,34,50,418	25,13,66,201
Total liabilities		24,34,50,418	25,13,66,201
Total equity and liabilities		28,67,98,796	29,62,32,045
Significant accounting policies and key accounting estimates and judgements 1 to 5			
See accompanying notes form an integral part of Standalone Financial Statements 30 to 44			
AS PER OUR REPORT OF EVEN DATE ATTACHED			
For S. Bhalotia & Associates			
Chartered Accountants			
FRN : 325040E			
<p>CA. Binod Kumar Sahoo Partner Membership No. : 305406 Place: Hyderabad Date: 29-06-2021 UDIN : 21305406AAAER3910</p>		<p>Manoj Kumar Dugar Managing Director & Chairman (DIN:00352733) Purva Palshikar Company Secretary</p>	<p>Rajesh Kumar Dugar Director (DIN:00730059) Vijay Jain Chief Financial Officer</p>

CDG PETCHEM LIMITED (Formerly Urbaknitt Fabs Limited) CIN: L51100TG2011PLC072532 Consolidated Statement of Profit and Loss for the Year Ended 31 March, 2021			
Particulars	Note	For the Year ending March 31, 2021	For the Year ending March 31, 2020
I Income			
Revenue from operations	23	39,41,34,321	89,39,54,859
Other Income	24	1,59,94,872	1,22,91,887
Total Revenue		41,01,29,193	90,62,46,746
II Expenses			
Cost of Materials Consumed	25	35,19,92,265	86,43,97,467
Changes in Inventories of Finished Goods, Stock in Trade & Work-in Progress	26	70,28,812	(92,29,418)
Employee benefits expense	27	69,00,889	93,42,666
Finance costs	28	1,56,36,919	1,28,93,102
Depreciation & Amortisation Expense	6	33,61,845	29,56,201
Other expenses	29	2,49,18,630	1,52,60,175
Total expenses		40,98,39,360	89,56,20,192
III Profit before tax (I-II)		2,89,833	1,06,26,554
IV Tax expense:			
Current Tax		13,46,531	25,85,746
Deferred Tax		4,37,086	2,69,090
Tax pertaining to earlier years		23,681	24,312
MAT Credit Entitlement		-	3,77,088
Total Tax Expense		18,07,298	25,02,060
V Profit /(Loss) for the period from continuing operation (III-IV)		(15,17,464)	81,24,494
VI Profit /(Loss) for the period from discontinuing operation		-	-
VII Tax Expense of discontinuing operation		-	-
VIII Profit /(Loss) for the period from discontinuing operation after tax		-	-
IX Profit /(Loss) for the period after tax (V+VIII)		(15,17,464)	81,24,494
X Other Comprehensive Income			
A Items that will not be reclassified to profit or loss		-	-
B Items that will be reclassified to profit or loss		-	-
Other Comprehensive Income for the year, net of tax (A+B)		-	-
XI Total Other Comprehensive Income for the year (IX+X)		(15,17,464)	81,24,494
XII Total Comprehensive Income for the year attributable to:			
-Owners of the company		(15,17,464)	81,24,494
-Non-controlling interest		-	-
		(15,17,464)	81,24,494
XIV EARNINGS PER EQUITY SHARE (Face value ₹10/- each)			
Basic and Diluted		-0.49	2.64
Significant accounting policies and key accounting estimates and judgements	1 to 5		
See accompanying notes form an integral part of Consolidated Financial Statements.	30 to 44		
AS PER OUR REPORT OF EVEN DATE ATTACHED		For CDG PETCHEM LIMITED	
For S. Bhalotia & Associates Chartered Accountants FRN : 325040E			
 CA. Binod Kumar Sahoo Partner Membership No. : 305406 Place: Hyderabad Date: 29-06-2021 UDIN : 21305406AAAER3910		 Manoj Kumar Dugar Managing Director & Chairman (DIN:00352733)  Purva Palshikar Company Secretary	 Rajesh Kumar Dugar Director (DIN:00730059)  Vijay Jain Chief Financial Officer

CDG[®]

Chandantara Dugar Group
CDG PETCHEM LIMITED

CDG PETCHEM LIMITED (Formerly Urbaknitt Fabs Limited) CIN: L51100TG2011PLC072532 Consolidated Cashflow Statement for the Year ended 31st March, 2021			
₹			
PARTICULARS	Year Ended 31st March 2021	Year Ended 31st March 2020	
A. CASH FLOW FROM OPERATING ACTIVITIES			
Net Profit (Loss) before Tax	2,89,833	1,06,26,554	
Adjustments for Non-Operating Activities:			
Depreciation	33,61,845	29,56,201	
Loss/ (Profit) on Sale of Assets	(4,57,674)	(56,280.00)	
Finance Cost (Including Preference dividend)	1,56,36,918.91	1,28,93,102	
Interest Received	84,92,637	(92,55,598)	
	2,70,33,727	65,37,425	
Operating Profit before Working Capital Changes	2,73,23,560	1,71,63,978	
Adjustments for Working Capital Changes:			
Inventories	53,65,827	(56,06,050)	
Trade Receivables	2,33,25,548	(3,58,26,069)	
Other financial Assets	1,58,46,242	37,44,438	
Other Assets	20,24,334	(1,84,045)	
Provisions	(2,47,433)	1,14,840	
Trade Payables	(5,24,08,631)	(9,74,45,693)	
Other financial liabilities	90,52,115	(28,24,525)	
Other Liabilities	(1,68,21,798)	3,05,58,918	
Current Borrowings	4,48,84,158	5,78,87,549	
Other non current assets	(5,65,936)	1,83,000	
Cash Generation From Operations	3,04,54,426	(4,93,97,638)	
Direct Taxes Paid (Net)	(19,24,657)	(22,38,860)	
Net Cash from Operating Activities	5,58,53,329	(3,44,72,520)	
B. CASH FLOW FROM INVESTING ACTIVITIES			
Acquisition of Fixed Assets (including capital work in progress)	(4,01,88,022)	(9,55,033)	
Proceeds from Sale of Fixed Assets	19,89,173	4,00,000	
Interest Received	(84,92,637)	92,55,598	
Net Cash from Investing Activities	(4,66,91,486)	87,00,565	
C. CASH FLOW FROM FINANCING ACTIVITIES			
Interest Paid	(1,56,36,919)	(1,28,93,102)	
Long Term Borrowings from Others	71,88,718	3,84,94,632	
Net Cash from Financing Activities	(84,48,201)	2,56,01,530	
Net Increase (Decrease) in Cash and Cash Equivalent (A+B+C)	7,13,642	(1,70,423)	
Cash and Cash Equivalent (Opening)	8,23,855	9,94,277	
Cash and Cash Equivalent (Closing)	15,37,497	8,23,854	
For S. Bhalotia & Associates Chartered Accountants FRN : 325040E  CA. Binod Kumar Sahoo Partner Membership No. : 305406 Place: Hyderabad Date : 29-06-2021 UDIN : 21305406AAAAER3910		For and on behalf of the BOD of CDG Petchem Limited  Manoj Kumar Dugar Managing Director & Chairman (DIN:00352733)  Purva Palshikar Company Secretary	
		 Rajesh Kumar Dugar Director (DIN 00730059)  Vijay Jain Chief Financial Officer	

SIGNIFICANT ACCOUNTING POLICIES AND KEY ACCOUNTING ESTIMATES AND JUDGEMENTS

1. Corporate Information

CDG PETCHEM LIMITED (Formerly Urbaknitt Fabs Limited) (“the company”) is a Company registered under the Companies Act, 1956. It is a public limited company domiciled in India and is listed on the Bombay Stock Exchange (BSE). The company was incorporated on 7th February 2011, having its registered office at Plot no 10 & 11, MCH No 1-8-304 to 307/10, Pattigadda Road Hyderabad 500003 TG. The company’s CIN No. is L51100TG2011PLC072532 . The company is engaged in the manufacture of Knitted Fabrics, Mattresses and Pillows; along with Trading & Distribution of Minerals, Plasticizers, Construction, Plastic Raw Materials and Pharma Chemicals.

2. Basis of preparation

The financial statements are separate financial statements prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time). For all periods up to and including the year ended March 31, 2021 the Company prepared its financial statements in accordance with accounting standards notified under the section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP). These financial statements have been prepared and presented under the historical cost convention, on the accrual basis of accounting except for certain financial assets and financial liabilities that are measured at fair values at the end of each reporting period, as stated in the accounting policies set out below. The accounting policies have been applied consistently over all the periods presented in these financial statements.

3. Basis of Consolidation

The consolidated Ind As Financial statements comprise of the M/s CDG PETCHEM LIMITED (Formerly as Urbaknitt Fabs Limited) and its subsidiary company, M/s Morbido Merchandise Private Limited (referred to as “the company” as at March 31, 2021. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee); Exposure, or rights, to variable returns from its involvement with the investee, and the ability to use its power over the investee to affect its returns.

Generally there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including: The contractual arrangement with the other vote holders of the investee; Rights arising from other contractual arrangements; The Group’s voting rights and potential voting rights, and the size of the group’s holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date of the Group gains control until the date the Group ceases to control the subsidiary. Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that group member’s financial statements in preparing the consolidated financial statements to ensure conformity with the group’s accounting policies. The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as of that the parent company i.e. year ended on 31st March.

Consolidation Procedure:

- (a) Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognized in the consolidated financial statements at the acquisition date.
- (b) Offset (eliminate) the carrying amount of the parent’s investment in each subsidiary and the parent’s portion of equity of each subsidiary. Business combinations policy explains how to account for any related good will.

- (c) Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intragroup transactions that are recognized in assets, such as inventory and fixed assets, such as inventory and fixed assets, are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. IndAS12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions. A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it: Derecognizes the assets (including good will) and liabilities of the subsidiary; Derecognizes the carrying amount of any non-controlling interest; Derecognizes the cumulative translation differences recorded in equity; Recognizes the fair value of the consideration received; Recognizes the fair value of any investment retained; Recognizes any surplus or deficit in profit or loss, and reclassifies the parent's share of components previously recognized in OCI to profit or loss or retained earnings, as appropriate, as would be required if the Group had directly disposed of the related assets or liabilities.

4. Use of estimates and judgments:

The preparation of the financial statements in conformity with Ind AS requires the management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

5. Significant Accounting Policies:

(a) Business combinations and goodwill

In accordance with Ind AS 101 provisions related to first time adoption, the Group has elected to apply Ind AS accounting for business combinations prospectively from April 1, 2016. As such, Indian GAAP balances relating to business combinations entered into before that date, including goodwill, have been carried forward with minimal adjustment. The same first time adoption exemption is also used for associates and joint ventures. Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value and the amount of any non-controlling interests in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquire at fair value or at the proportionate share of the acquirer's identifiable net assets. Acquisition-related costs are expensed as incurred. At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognized at their acquisition date fair values. For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at their acquisition fair values irrespective of the fact that outflow of resources embodying economic benefits is not probable. Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognized for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

(b) Revenue Recognition

Revenue is recognized and measured at the fair value of the consideration received or receivable, to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Effective April 1, 2018, the Company adopted Ind AS 115 "Revenue from Contracts with Customers" using the cumulative catch-up transition method, applied to contracts that were not completed as of April 1, 2018. The Company has evaluated and there is no material impact of this amendment on the Financial Statement of the Company.

Other income:

Other income is comprised primarily of interest income, dividend income, gain / loss on investments and exchange gain/loss on forward and options contracts and on translation of other assets and liabilities. Interest income is recognized using the effective interest method. Dividend income is recognized when the right to receive payment is established.

(c) Property, Plant and Equipment

Property, plant and equipment are stated at cost of acquisition or construction net of accumulated depreciation and impairment loss (if any). All significant costs relating to the acquisition and installation of property, plant and equipment are capitalized. Such cost includes the cost of replacing part of the property, plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in statement of profit and loss as incurred. The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognized. The identified components are depreciated over their useful lives, the remaining asset is depreciated over the life of the principal asset.

Depreciation for identified components is computed on straight line method based on useful lives, determined based on internal technical evaluation. Freehold land is carried at cost.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

(d) Investment Properties

Property that is held for long-term rental yields or for capital appreciation or both is classified as investment property. Investment Property is measured at its cost, including related transaction costs and where applicable borrowing costs. Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the company and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognized. Investment Properties are depreciated using the straight-line method as per the provisions of Schedule II of the Companies Act, 2013 or based on useful life estimated on the technical assessment.

(e) Intangible Assets

Intangible assets are recognised when it is probable that the future economic benefits that are attributable to the asset will flow to the enterprise and the cost of the asset can be measured reliably.

(f) Depreciation and amortization:

Depreciation is provided on the straight-line method over the useful lives as prescribed under Part C of Schedule II of the Companies Act 2013. Depreciation for assets purchased/sold during a period is proportionately charged.

(g) Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is: -

- Expected to be realized or intended to be sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realized 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.

(h) Financial assets

Financial assets comprise of cash and cash equivalents.

(i) Initial recognition:

All financial assets are recognized initially at fair value. Purchases or sales of financial asset that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognized on the trade date, i.e., the date that the company commits to purchase or sell the assets.

(j) Subsequent Measurement:

Financial assets measured at amortised cost: Financial assets held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and the contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding are measured at amortised cost using effective interest rate (EIR) method. The EIR amortization is recognised as finance income in the Statement of Profit and Loss.

(k) The Company while applying above criteria has classified the following at amortised cost:

- a) Trade receivable
- b) Cash and cash equivalents
- c) Other Financial Asset

(l) Impairment of Financial Assets:

Financial assets are tested for impairment based on the expected credit losses.

(m) De-recognition of Financial Assets:

A financial asset is primarily de-recognised when the rights to receive cash flows from the asset have expired or the Company has transferred its rights to receive cash flows from the asset.

(n) Impairment of Non-Financial Assets

At each reporting date, the Company assesses whether there is any indication that an asset may be impaired. Where an indicator of impairment exists, the company makes a formal estimate of recoverable amount. Where the carrying amount of an asset exceeds its recoverable amount the asset is considered impaired and is written down to its recoverable amount.

Recoverable amount is the greater of fair value less costs to sell and value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets, in which case, the recoverable amount is determined for the cash generating unit to which the asset belongs.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

h) Inventories

Finished Goods, work-in-process and wastage to be valued at cost or net realizable value, whichever is lower. Raw Material and Stores and Spares are valued at lower of cost or net realizable value after providing for obsolescence.

Cost comprises of all cost of purchase, cost of conversion and other cost incurred in bringing the inventory to their present location and conditions. Cost formula used is weighted average cost.

i) Cash and Cash equivalents

Cash and cash equivalents comprise cash at bank and in hand and short-term investments with an original maturity of three months or less. Deposits with banks are subsequently measured at amortized cost and short term investments are measured at fair value through statement of profit & loss account.

j) Financial liabilities

Initial recognition and measurement:

All financial liabilities are recognised initially at fair value and transaction cost that is attributable to the acquisition of the financial liabilities is also adjusted. These liabilities are classified as amortised cost.

Subsequent measurement:

These liabilities include are borrowings and deposits. Subsequent to initial recognition, these liabilities are measured at amortized cost using the effective interest method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit and loss. This category generally applies to borrowings.

De-recognition of financial liabilities:

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 the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

k) Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur. Borrowing costs consist of interest, exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost and other costs that an entity incurs in connection with the borrowing of funds. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

l) Employee Benefits

Employee benefits are charged to the Statement of Profit and Loss for the year.

Provident Fund

Retirement benefits in the form of Provident Fund are defined contribution scheme and such contributions are recognized, when the contributions to the respective funds are due. There are no other obligation other than the contribution payable to the respective funds.

Gratuity

The Company has not created any gratuity fund. However adequate provisions have been made in the accounts for gratuity liability. The benefit vests upon completion of five years of continuous service and once

vested it is payable to employees on retirement or on termination of employment. In case of death while in service, the gratuity is payable irrespective of vesting.

Compensated absences

Liability in respect of compensated absences becoming due or expected to be availed within one year from the balance sheet date is recognised on the basis of undiscounted value of estimated amount required to be paid or estimated value of benefit expected to be availed by the employees.

Short-term employee benefits

Expense in respect of other short term benefits is recognised on the basis of the amount paid or payable for the period during which services are rendered by the employee.

m) Income Taxes

Income tax expense is comprised of current and deferred taxes. Current and deferred tax is recognized in net income taxes for the current period, including any adjustments to tax payable in respect of previous years, are recognized and measured at the amount expected to be recovered from or payable to the taxation authorities based on the tax rates that are enacted or substantively enacted by the end of the reporting period.

Deferred income tax

Deferred income tax assets and liabilities are recognized for temporary differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax base using the tax rates that are expected to apply in the period in which the deferred tax asset or liability is expected to settle, based on the laws that have been enacted or substantively enacted by the end of reporting period. Deferred tax assets and liabilities are not recognized if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable income nor the accounting income.

Minimum Alternative Tax (MAT)

MAT credit is recognised as an asset only when and to the extent there is convincing evidence that the company will pay normal income tax during the specified period. In the year in which the MAT credit becomes eligible to be recognized as an asset in accordance with the recommendations contained in Guidance Note issued by the Institute of Chartered Accountants of India, the said asset is created by way of a credit to the statement of profit and loss and shown as MAT Credit Entitlement. The company reviews the same at each balance sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that company will pay normal Income Tax during the specified period.

n) Leases

As a lessee

Leases of property, plant and equipment where the company, as lessee, has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lease's inception at the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding rental obligations, net of finance charges, are included in borrowings or other financial liabilities as appropriate. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to the profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the company as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

As a lessor

Lease income from operating leases where the company is a lessor is recognised 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.

Lease-hold land: Leasehold land that normally has a finite economic life and title which is not expected to pass to the lessee by the end of the lease term is treated as an operating lease. The payment made on entering into or

acquiring a leasehold land is accounted for as leasehold land use rights (referred to as prepaid lease payments in Ind AS 17 “Leases”) and is amortized over the lease term in accordance with the pattern of benefits provided.

o) Provisions, contingent assets and contingent liabilities

Provisions are recognized only when there is a present obligation, as a result of past events, and when a reliable estimate of the amount of obligation can be made at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. Provisions are discounted to their present values, where the time value of money is material.

Contingent liability is disclosed for:

- Possible obligations which will be confirmed only by future events not wholly within the control of the Company or
- Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

Contingent assets are neither recognized nor disclosed. However, when realization of income is virtually certain, related asset is recognized.

p) Fair value measurement

In determining the fair value of its financial instruments, the Company uses following hierarchy and assumptions that are based on market conditions and risks existing at each reporting date. Fair value hierarchy: All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised 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 assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

q) Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for events of bonus issue. For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

r) Cash dividend to equity holders of the Company

The Company recognises a liability to make cash distributions to equity holders of the Company when the distribution is authorised and the distribution is no longer at the discretion of the Company. Final dividends on shares are recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Company’s Board of Directors.

CDG PETCHEM LIMITED					
(Formerly Urbaknitt Fabs Limited)					
Notes forming part of the Consolidated Financial Statements					
(All amounts in Indian Rupees, unless otherwise stated)					
Consolidated Statement of Changes in Equity for the period ended 31st March 2021					
A. Equity Share capital					
Particulars	No of shares	In Rupees			
Balance as at 1 April 2019	30,77,500	3,07,75,000			
Changes in equity share capital during 2019-20	-	-			
Balance as at 31 March 2020	30,77,500	3,07,75,000			
Balance as at 1 April 2020	30,77,500	3,07,75,000			
Changes in equity share capital during 2020-21					
Balance as at 31 March 2021	30,77,500	3,07,75,000			
B. Other equity					
		<i>(Amount in Rupees)</i>			
Particulars	Reserves and Surplus Retained Earnings	Total			
Balance as at 1 April, 2019 (A)	59,66,349	59,66,349			
Additions during the year:		-			
Profit for the year	81,24,494	81,24,494			
Other Comprehensive Income (net of tax)					
Total Comprehensive Income for the year 2019-20 (B)	81,24,494	81,24,494			
Transfer In/Out General Reserve					
Balance at 31 March 2020 (C=A+B)	1,40,90,843	1,40,90,843			
Balance at 1 April 2020 (D)	1,40,90,843	1,40,90,843			
Additions during the year:		-			
Profit for the year	(15,17,464)	(15,17,464)			
Other Comprehensive Income (net of tax)	-	-			
Total Comprehensive Income for the year 2020-21 (E)	(15,17,464)	(15,17,464)			
Balance as at 31 March 2021 (F=D+E)	1,25,73,378	1,25,73,378			
<table style="width: 100%; border: none;"> <tr> <td style="width: 33%; vertical-align: top;"> <p>As per our report of even date attached For S Bhalotia & Associates Chartered Accountants, FRN : 325040E</p> <p>BINOD KUMAR SAHOO</p> <p>Partner M. No. 305406 UDIN: 21305406AAAER3910</p> <p>Place: Secunderabad, Date: 17th July 2020</p> </td> <td style="width: 33%; vertical-align: top; text-align: center;"> <p>Sd/- Manoj Dugar Managing Director & Chairman (DIN:00352733)</p> <p>Sd/- Purva Palishikar Company Secretary</p> </td> <td style="width: 33%; vertical-align: top; text-align: center;"> <p>For CDG Petchem Limited</p> <p>Sd/- Rajesh Kumar Dugar Director (DIN:00730059)</p> </td> </tr> </table>			<p>As per our report of even date attached For S Bhalotia & Associates Chartered Accountants, FRN : 325040E</p> <p>BINOD KUMAR SAHOO</p> <p>Partner M. No. 305406 UDIN: 21305406AAAER3910</p> <p>Place: Secunderabad, Date: 17th July 2020</p>	<p>Sd/- Manoj Dugar Managing Director & Chairman (DIN:00352733)</p> <p>Sd/- Purva Palishikar Company Secretary</p>	<p>For CDG Petchem Limited</p> <p>Sd/- Rajesh Kumar Dugar Director (DIN:00730059)</p>
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Note : 6 Consolidated Statement of Property, Plant and Equipment
Following are the changes in the carrying value of Property, Plant and Equipment for the Year Ended 31st March 2021

(Amount in Rupees)

Particulars	Land & Building	Plant & Machinery	Computer	Electrical Installation	Furniture & Fixtures	Vehicles	Office Equipment	Grand Total
Gross carrying Value as of April 01, 2020	-	2,48,08,884	3,38,727	58,70,256	5,43,057	49,91,040	10,18,719	3,75,70,684
Additions	28484071	1,11,36,000	-	1,28,770	-	-	4,39,181	4,01,88,022
Deletions	-	18,37,294	-	-	-	-	-	18,37,294
Gross carrying Value as at March 31, 2021	2,84,84,071	3,41,07,590	3,38,727	59,99,026	5,43,057	49,91,040	14,57,901	7,59,21,412
Accumulated depreciation as at April 01, 2020	-	32,59,444	2,78,267	14,03,787	1,40,070	12,48,155	4,93,102	68,22,825
Depreciation	1,27,564	17,68,694	43,524	5,60,507	51,590	5,92,686	2,17,279	33,61,845
Accumulated depreciation on disposals	-	3,05,795	-	-	-	-	-	3,05,795
Accumulated depreciation as at March 31, 2021	1,27,564	47,22,343	3,21,791	19,64,294	1,91,661	18,40,841	7,10,381	98,78,875
Net Carrying Value as at March 31, 2021	2,83,56,507	2,93,85,247	16,936	40,34,732	3,51,396	31,50,199	7,47,519	6,60,42,537

Following are the changes in the carrying value of Property, Plant and Equipment for the Year Ended 31st March 2020

Particulars	Plant & Machinery	Computer	Electrical Installation	Furniture & Fixtures	Vehicles	Office Equipment	Grand Total
Gross carrying Value as at April 01, 2019	2,49,24,884	3,38,727	58,70,256	5,43,057	44,34,069	9,04,657	3,70,15,651
Additions	2,84,000	-	-	-	5,56,971	1,14,062	9,55,033
Disposals	4,00,000	-	-	-	-	-	4,00,000
Gross carrying Value as at March 31, 2020	2,48,08,884	3,38,727	58,70,256	5,43,057	49,91,040	10,18,719	3,75,70,684
Accumulated depreciation as at April 01, 2019	16,96,667	1,99,757	8,46,113	88,480	7,85,217	3,06,670	39,22,904
Depreciation	16,19,057	78,510	5,57,674	51,590	4,62,938	1,86,432	29,56,201
Accumulated depreciation on disposals	56,280	-	-	-	-	-	56,280
Accumulated depreciation as at March 31, 2020	32,59,444	2,78,267	14,03,787	1,40,070	12,48,155	4,93,102	68,22,825
Net Carrying Value as at March 31, 2020	2,15,49,440	60,460	44,66,470	4,02,987	37,42,885	5,25,617	3,07,47,859



CDG PETCHEM LIMITED (CONSOLIDATED)

(Formerly Urbaknitt Fabs Limited)

Notes forming part of the Consolidated Financial Statements

(All amounts in Indian Rupees, unless otherwise stated)

7 Deposits

Particulars	As at March 31, 2021	As at March 31, 2020
(Unsecured, Considered Good)		
Rent Deposit	9,95,100	4,75,100
Water Deposit	1,600	1,600
Electricity Deposit	3,75,000	3,75,000
Other Deposit	2,24,557	2,24,557
Total	15,96,257	10,76,257

8 Other non-current assets

Particulars	As at March 31, 2021	As at March 31, 2020
(Unsecured, Considered Good)		
Capital Advances	47,51,736	47,05,800
Total	47,51,736	47,05,800

9 Inventory

Particulars	As at March 31, 2021	As at March 31, 2020
(As valued and certified by management)		
Finished Goods	50,99,037	146,51,322
Finished Stock of Traded Goods	95,55,474	37,000
Work-in-Progress/at job work	14,87,052	37,47,429
Stock of Raw Material	23,55,439	6,92,453
Stock In Trade	138,45,483	185,80,107
Total	323,42,484	377,08,310

10 Trade Receivables		
Particulars	As at March 31, 2021	As at March 31, 2020
Unsecured		
Considered Good	1725,56,999	1958,82,547
Total	1725,56,999	1958,82,547
11 Cash and Bank Balances		
Particulars	As at March 31, 2021	As at March 31, 2020
Cash & Cash equivalents		
Cash in Hand	8,43,567	5,33,907
Balances with Banks		
In Current Accounts	6,93,930	2,89,948
Total	15,37,497	8,23,855
12 Other Financial Assets		
Particulars	As at March 31, 2021	As at March 31, 2020
(Unsecured, Considered Good)		
Advance to Suppliers	9,43,642	162,21,530
Staff Advance	-	64,943
Other Advances	1,38,191	4,01,626
Commission Receivable	3,19,968	5,59,944
Total	14,01,801	172,48,043
13 Other Current Assets		
Particulars	As at March 31, 2021	As at March 31, 2020
(Unsecured, Considered Good)		
Balances with Government Authorities	62,77,215	83,47,886
Advance recoverable in cash of kind, for which value to be received	46,338	-
Income Tax Refundable	2,45,932	(3,08,513)
Total	65,69,485	80,39,373

CDG PETCHEM LIMITED (Formerly Urbaknitt Fabs Limited)				
Notes forming part of the Consolidated Financial Statements (All amounts in Indian Rupees, unless otherwise stated)				
14 . Equity Share Capital				
Particulars	As at March 31st, 2021		As at March 31st, 2020	
	Number of shares	Amount (₹)	Number of shares	Amount(₹)
Authorized Capital				
50,00,000 equity shares of Rs. 10/- each	50,00,000	5,00,00,000	50,00,000	5,00,00,000
Issued, Subscribed and Paid-up Capital				
30,77,500 equity shares of Rs. 10/- each fully paid up	30,77,500	3,07,75,000	30,77,500	3,07,75,000
a) Terms / rights attached to Equity Shares				
The Company has only one class of issued equity shares having a par value of Rs.10/- per share. Each shareholder is entitled to one vote per share in the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.				
b) Reconciliation of Shares Outstanding at the beginning and at the end of the reporting year:				
Particulars	As at March 31st, 2021		As at March 31st, 2020	
	Number of Shares	Amount(₹)	Number of Shares	Amount(₹)
Equity Shares of Rs.10/- each fully paid up				
Shares outstanding at the beginning of the year	30,77,500	3,07,75,000	30,77,500	3,07,75,000
Shares Issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	30,77,500	3,07,75,000	30,77,500	3,07,75,000
c) Details of shareholders holding more than 5% shares in the Company				
Name of the shareholder	As at March 2021		As at March 2020	
	Number of shares	% of holding	Number of shares	% of holding
Tara Devi Dugar	3,69,325	12.00%	3,69,325	12.00%
Renu R Dugar	3,00,362	9.76%	3,00,362	9.76%
Balram Chainrai & Anita Chainrai Advani	2,94,000	9.55%	2,94,000	9.55%
Rajesh Kumar Dugar	2,76,975	9.00%	2,76,975	9.00%
Manoj Kumar Dugar	2,56,525	8.34%	2,56,525	8.34%
Divay Dugar	2,46,255	8.00%	2,46,255	8.00%
Chirag Dugar	2,46,250	8.00%	2,46,250	8.00%
Renu M Dugar	2,15,360	7.00%	2,15,360	7.00%
Total	22,05,052		22,05,052	
The shareholding information has been extracted from the records of the Company including register of shareholders/ members and is based on legal ownership of shares.				

CDG PETCHEM LIMITED
(Formerly Urbaknitt Fabs Limited)

Notes forming part of the Consolidated Financial Statements

(All amounts in Indian Rupees, unless otherwise stated)

15 Other Equity

Particulars	Reserves and Surplus	Total
	Retained Earnings	
Balance as at 1 April, 2019 (A)	59,66,349	59,66,349
Additions during the year:		
Profit for the year	81,24,494	81,24,494
Total Comprehensive Income for the year 2019-20 (B)	81,24,494	81,24,494
Transfer In/Out General Reserve		
Balance at 31 March 2020 (C=A+B)	140,90,843	140,90,843
Balance at 1 April 2020 (D)	140,90,843	140,90,843
Additions during the year:		
Profit for the year	(15,17,464)	(15,17,464)
Total Comprehensive Income for the year 2020-21 (E)	(15,17,464)	(15,17,464)
Balance as at 31 March 2021 (F=D+E)	125,73,379	125,73,379

Description of nature and purpose of reserve is as follows

Retained Earnings: Retained earnings comprise of net accumulated profit/(loss) of the company, after declaration of dividend.

16 Non - Current Borrowings

Particulars	As at March 31, 2021	As at March 31, 2020
Secured		
Vehicle Loan from bank (against hypothecation of vehicle) (repayable in equal 60 number of instalment at an average rate of 9.61%)	8,87,439	18,18,527
Term Loan from Bank*	261,75,964	-
Unsecured		
Loans from Related Parties	354,10,568	537,21,888
Total (A)	624,73,971	555,40,415
(B) Less: Current maturities of vehicle loan	6,42,163	8,97,324
Total (A-B)	618,31,808	546,43,090

17 Deferred tax liability (NET)

Particulars	As at March 31, 2021	As at March 31, 2020
(A) Deferred tax liability		
Opening Balance	22,06,558	19,37,467
Add: Deferred tax for the year	4,37,086	2,69,090
	26,43,643	22,06,557
(B) MAT Credit Entitlement	(8,59,202)	(8,59,202)
Total (A-B)	17,84,441	13,47,355

18	Current Borrowings		
Particulars	As at March 31, 2021	As at March 31, 2020	
Secured			
Working Capital Loan From bank	1118,91,304	575,89,142	
Intercorporate loan from others	-	94,18,003	
Total	1118,91,304	670,07,146	
Cash credit from Scheduled Banks is secured by hypothecation of stock, trade receivables and first pari-passu charge on specific fixed assets of the company.			
19	Trade payables		
Particulars	As at March 31, 2021	As at March 31, 2020	
For Goods & Services			
- Total Outstanding dues of Micro and Small Enterprises	98,42,021	185,67,258	
- Total Outstanding dues Other than Micro and Small Enterprises	276,24,996	713,08,390	
Total	374,67,017	898,75,648	
20	Other Current Financial Liabilities		
Particulars	As at March 31, 2021	As at March 31, 2020	
Current Maturities of Long Term Debts- Secured*	85,89,707	8,97,324	
Statutory Dues Payable	1,27,205	1,69,088	
Creditors for expenses	43,59,726	29,58,112	
Creditors for Capital Goods	6,61,827	6,61,827	
Total	137,38,466	46,86,350	
21	Other Current Liabilities		
Particulars	As at March 31, 2021	As at March 31, 2020	
Advance from Customers	135,17,465	302,78,461	
Other Liabilities	26,50,152	27,21,953	
Audit Fees Payable	1,11,000	1,00,000	
Total	162,78,617	331,00,414	
22	Provisions		
Particulars	As at March 31, 2021	As at March 31, 2020	
Provision for Employee Benefits	2,15,019	5,62,288	
Provision for Expenses	2,43,746	1,43,910	
Total	4,58,765	7,06,198	

CDG PETCHEM LIMITED

(Formerly Urbaknitt Fabs Limited)

Notes forming part of Consolidate Financial Statements
(All amount in Indian Rupees unless otherwise stated)

23 Revenue from operations			
Particulars	For the period ending March 31, 2021	For the period ending March 31, 2020	
Sales of Finished goods	3,81,17,081	3,82,48,495	
Sales of Traded goods	41,99,46,804	95,20,31,514	
Less: Trade Discount	(31,788)	(68,99,966)	
	45,80,32,097	98,33,80,043	
Less: Duties & Taxes	6,38,97,776	8,94,25,184	
Total	39,41,34,321	89,39,54,859	
24 Other Income			
Particulars	For the period ending March 31, 2021	For the period ending March 31, 2020	
Commission	9,81,895	27,14,944	
Interest Received	84,87,731	92,29,678	
Discount Received	3,31,139	-	
Foreign Exchange Gain (Net)	47,31,183	3,79,962	
Profit on sale of Asset	4,57,674	56,280	
Rent Received	5,00,000	-	
Insurance Claim	5,449	1,45,395	
Interest on Income Tax Refund	4,906	25,920	
Sundry Balances Written off	66,529	(2,60,292)	
Other Income	4,28,366	-	
Total	(₹)1,59,94,872	(₹)1,22,91,887	
25 Cost of Materials Consumed			
Particulars	For the period ending March 31, 2021	For the period ending March 31, 2020	
Opening Stock	6,92,453	43,15,821	
Add:- Purchase of Raw Materials	71,86,138	1,70,45,031	
Add:- Purchase of Traded Goods	34,64,69,112	84,37,29,068	
Less:- Closing Stock of Raw Material	23,55,439	6,92,453	
Total	35,19,92,265	86,43,97,467	
26 Changes in Inventories of Finished Goods, Stock in Trade & Work- in Progress			
Particulars	For the period ending March 31, 2021	For the period ending March 31, 2020	
Increase/Decrease in stock of Finished Goods & Semi-finished Goods			
Inventories (at opening)			
Finished Goods	1,46,51,322	99,03,674	
Finished Stock of Traded Goods	1,86,17,107	1,18,13,416	

	Work-in-Progress	37,47,429	60,69,349
	Total (A)	3,70,15,858	2,77,86,439
	Inventories (at close)		
	Finished Goods	50,99,037	146,51,322
	Finished Stock of Traded Goods	2,34,00,957	18,6,17,107
			37,47,429
			3,70,15,858
	Total (A-B)	70,28,812	(92,29,418)
27	Employee benefit expenses		
	Salaries and Wages	33,00,889	61,42,666
	Directors Remuneration	36,00,000	32,00,000
	Total	69,00,889	93,42,666
28	Finance cost		
	Bank Charges	41,126	30,737
	Interest Expense	1,50,95,793	1,23,24,565
	Other Borrowing Cost	5,00,000	5,37,800
	Total	1,56,36,919	1,28,93,102
29	Other expenses		
	Manufacturing Expenses		
	Power and Fuel	3,49,609	13,81,665
	Consumables Stores and Spares Consumed	91,100	86,910
	Carriage Inward	7,40,566	-
	Total Manufacturing Expenses (A)	11,81,275	14,68,575
	Administrative Expenses		
	Professional and Consultancy Charges	6,34,368	4,62,316
	Software Development Expenses	65,000	-
	Insurance Charges	12,44,217	12,84,308
	Printing & Stationery	1,00,334	1,87,616
	Donation	14,26,100	24,900
	Repairs & Maintenance	-	
	-Buildings	13,044	21,575
	-Plant & Machinery	73,910	-
	-Others	12,30,049	5,11,904
	Rent, Rates and Taxes	42,74,507	30,68,474
	Audit Fees	1,70,000	1,20,000
	Postage & Courier Charges	1,00,503	83,765
	Annual Issuer Fees (CDSL)	4,62,055	3,91,302
	Travelling Expenses	4,62,477	13,00,567
	Communication Expenses	25,827	31,942

	Detention charges	16,89,186	-
	Subscription fees	-	4,000
	Miscellaneous Expenses	12,11,248	3,32,818
	Total Administrative Expenses (B)	1,31,82,824	78,25,486
	Selling & Distribution Expenses		
	Freight Outward	69,35,808	29,75,819
	Advertisement/ Business Promotion Expenses	19,37,404	29,90,294
	Commission on Sales	16,81,318	-
	Total Selling & Distribution Expenses (C)	1,05,54,530	59,66,113
	Total (A+B+C)	2,49,18,630	1,52,60,175

**A Unit of
Chandantara Dugar Group**

'Shyam Arihant'
1-8-304 to 307/10 & 11
Patigadda Road, Begumpet
Secunderabad - 500003
Telangana, India
T:+91-40-66494900/1/2, F:+91-40-27721360

Email: info@dugargroup.net

www.dugargroup.net, www.procurepoint.in, www.cdgroup.in

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