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**CENTENIAL<sup>®</sup>**  
SURGICAL SUTURE LTD.

**28<sup>th</sup> Annual Report  
2022 ~ 2023**

## **CORPORATE INFORMATION**

### **BOARD OF DIRECTORS** (as on August 12, 2023)

Vijay Majrekar (DIN: 00804808)  
**Managing Director / Chief Executive Officer**

Anuradha Kashikar (DIN: 00804831)  
**Executive Director / Chief Financial Officer**

Devraj T. Poojary (DIN: 02041726)  
**Executive Director**

Bhushan S. Limaye (DIN: 00804930)  
**Independent Non-Executive Director**

Sunil C. Modi (DIN: 03103966)  
**Independent Non-Executive Director**

Jagadish B. Shetty (DIN: 00731896)  
**Independent Non-Executive Director**

Neel M. Vora (DIN: 07699873)  
**Independent Non-Executive Director**

S. Mhatre  
**Chief Administrative Officer**

J. Rathod  
**Chief Operating Officer**

M. Bathwal (Membership No. ACS A35069)  
**Company Secretary and Compliance Officer**

### **REGISTERED OFFICE**

F-29, MIDC, Murbad, Thane 421401, Maharashtra.

### **BANKERS**

Canara Bank Ltd.

### **MANUFACTURING FACILITIES & SITE**

F-29 ; B-17, F-22, MIDC, Murbad, Thane 421401. Maharashtra.  
Village Dhavale, Ambarnath, Thane, Maharashtra.

### **AUDITORS**

Mahesh Chandra & Associates

### **SECRETARIAL AUDITORS**

HSPN & Associates LLP

### **REGISTRARS & SHARE TRANSFER AGENTS**

Purva Shareregistry (India) Pvt. Ltd.

### **Forward-looking Information**

In this Annual Report we have disclosed forward - looking information to enable investors to comprehend our prospects & take informed investment decisions. This report & other statements – written that we periodically make contain forward-looking statements that set out anticipated results based on the management's plans & assumptions. We have tried wherever possible to identify such statements by using words such as anticipated, estimates, expects, projects, intends, plans believes & words of similar substance in connection with any discussion of future performance. We cannot guarantee that these forward-looking statements will be realized, although we believe we have been prudent in assumptions. The achievement of results is subject to risks, uncertainties & even inaccurate assumptions. Should known or unknown risks or uncertainties materialize or should underlying assumptions prove inaccurate, actual results could vary materially from anticipated, estimated or projected. Readers should bear this in mind. The information & opinions contained in this report do not constitute an offer to buy any of Company's securities, businesses, products or services. The report also contains forward-looking statements, qualified in connection with any discussion of future performance that we believe to be true at the time of the preparation of the report. The Company does not take on any obligation to publicly update any forward- looking statement, whether as a result of new information, future events or otherwise.

## DIRECTORS' REPORT

### Dear Shareholders,

Your Directors present the 28<sup>th</sup> Annual Report of the Company together with the audited financial statements of the Company for the year ended March 31, 2023.

#### 1. Operating Results

The operating results of the Company for the year ended 31st March, 2023 are as follows:

Rs. in Lakhs

For the year ended March 31	2023	2022
Net Profit before Depreciation & Taxation	276.25	260.10
Less : Depreciation	129.96	152.65
Provision for Deferred Taxation	1.17	4.51
Provision for Taxation / Written Off	44.92	40.23
Net Profit/(Loss)	88.59	62.71
Add : Balance from Last Year	2477.39	2414.68
Prior Period Profit adjustments	-	-
Less : Appropriation	0.00	0.00
Transfer to Reserves Profit / (Loss) carried to Balance Sheet	2565.98	2477.39

COVID-19 pandemic has seriously affected the worldwide healthcare system. COVID-19 pandemic had a major negative impact on the medical devices market, particularly sutures and led to a change in healthcare priorities. With the economies opening up and countries returning to normalcy, surgical procedures are expected to be carried out at a much faster pace. Most of the elective surgeries were postponed or kept on hold to avoid contracting the virus, leading to a shortage in demand for surgical sutures. Hence, a rapid drop in the sales of surgical sutures was observed due to the outbreak of the COVID-19 pandemic. Our core managerial team has excellent medical device industry experience and most of them have been associated with our Company since its formative years. CENTENIAL is committed to working closely with our suppliers and making far-reaching changes across our value chain by encouraging our business partners, suppliers and hospitals, nursing homes to adopt responsible and sustainable practices. However, we are confident that our integrated capabilities and execution brilliance will continue to drive our brand CENTENIAL prominence in INDIA. Further, Your Company's plant is certified by ISO 9001:2015, ISO 13485:2016, WHO-GMP, ISO 45001:2018 and medical devices are in conformity to medical device directives 93/42/EEC, Medical Device Rules, 2017. Further details of operations are given in the management discussion and analysis report, which forms part of this report. I am also indebted to the Highly-Educated Members of the Board for their guidance and to the Honest, Loyal and Committed Employees, as always. Our values always guide us, and our history and heritage as a Company, stands for Trust, Service and High Quality.

Our team enters 2023 – 2024 with confidence. CENTENIAL is an established leader in key growth cardiovascular suture markets, with a large and differentiated portfolio of medical devices, backed by well-respected brands. Further, Your Company's plant is certified by ISO 9001:2015, ISO 13485:2016, WHO-GMP, ISO 45001:2018 and medical devices are in conformity to medical device directives 93/42/EEC, Medical Device Rules, 2017. Your Company's plant at Murbad, Thane, Maharashtra has set a benchmark in terms of quality and productivity. **CENTENIAL stands for Quality, Reliability, Commitment, Integrity and TRUST.**

#### 2. Transfer to reserves

There are no transfers to any specific reserves during the year.

#### 3. State of the company's affairs

During the year under review, your Company achieved total revenue from operations of Rs.5,265.53 Lakhs (previous year Rs.4442.66 Lakhs) resulting in increase of 18.52% over the previous year. The profit after tax is at Rs.146.29 Lakhs (previous year Rs.107.45 Lakhs resulting in increase of approximately 36.15%).

#### 4. Dividend

In order to conserve resources for the operating business, your Directors after due consideration of the financial accounts of the Company have not recommended any dividend to the equity shareholders.

#### 5. Cash flow and consolidated financial statements

As required under Regulation 34 of the Listing Regulations, Cash Flow Statement and Financial Statement is part of the Annual Report.

**6. Future prospects**

The Company has three new products under development and trials during the year and hopes to scale up production in the coming year.

**7. Change in nature of business**

There has been no change in the nature of business of the Company. Your Company continues to be a medical device company engaged in manufacturing surgical sutures & other medical devices with sales mainly in India.

**8. Transfer of Unpaid and Unclaimed Amounts to IEPF**

Pursuant to the provisions of Section 124(5) of the Companies Act, 2013, dividend which remains unpaid or unclaimed for a period of seven years from the date of its transfer to unpaid dividend account is required to be transferred by the Company to Investor Education and Protection Fund (IEPF), established by the Central Government under the provisions of Section 125 of the Companies Act, 2013. Since no dividend has been paid this section is not applicable.

**9. Conservation to energy, technology absorption, foreign exchange earnings & outgo.**

The information pertaining to conservation of energy, technology absorption, foreign exchange earnings and outgo as required under Sub-section (3)(m) of Section 134 of the Companies Act, 2013, read with the Companies (Accounts) Rules, 2014, are enclosed as Annexure C to the Directors' Report. Your Company continuous to focus on research and development activities towards the upgradation of technology, development, testing and certification of atraumatic needles and sutures for conformity to new Indian / International standards and export market.

**10. Statement concerning development and implementation of risk management policy of the company**

The Company has in place a mechanism to identify, assess, monitor and mitigate various risks to key business objectives. Major risks identified by the businesses and functions are systematically addressed also discussed at the meetings of the Risk Management Committee and the Board of Directors of the Company.

**11. Internal control system and their adequacy**

The Company has an adequate Internal Control System, commensurate with the size, scale and complexity of its operations. M/s. Utsav Shah & Associates, Chartered Accountants, are appointed with scope of the Internal Audit duly approved by the Audit Committee. To maintain its objectivity and independence, the Internal Auditor reports to the Audit Committee. The Internal Auditor evaluates the adequacy of the internal control system in the Company on the basis of statement of operations procedure, instruction manuals, accounting policy and procedures.

**12. Corporate Social Responsibility**

The Provisions of Section 134(3)(o) and Section 135 of the Companies Act, 2013 read with Rule 8 of Companies (CSR Policy) Rules, 2014 regarding corporate social responsibility do not apply to the company for the period under review.

**13. Loans, Guarantees or Investments**

Loans, guarantees and investments covered under Section 186 of the Companies Act, 2013 are NIL during Financial Year 2022 - 2023.

**14. Related Party Transactions**

Transactions with related parties are in the ordinary course of business and also on arms' length pricing basis. Prior omnibus approval from the Audit Committee is obtained for transactions which are repetitive and also normal in nature. Further, disclosures are made to the Audit Committee and the Board of Directors on a quarterly basis. Particulars of Contracts or arrangements with related parties referred to in Section 188(1) of the Companies Act, 2013, in the prescribed form AOC - 2 is appended as Annexure F to the Directors' Report.

**15. Policy on Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013**

The Company has zero tolerance towards sexual harassment at the workplace and has adopted a policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and Rules thereunder. An Internal Complaints Committee has been constituted to inquire into complaints of sexual harassment and recommend appropriate action. During the year under review, the Internal Complaints Committee has not received any complaint of sexual harassment. The Policy on Sexual Harassment of Women is available at the website of the company: <http://www.centenialindia.com/corporate.html>.

**16. Extract of Annual Return**

Annual Return in accordance with the Companies Act, 2013, the Annual Return in the prescribed format is available at [www.centenialindia.com](http://www.centenialindia.com).

#### **17. Meetings of the Board**

The meetings of the Board are scheduled at regular intervals to decide and discuss on business performance, policies, strategies and other matters of significance. The schedules of the meetings are circulated in advance, to ensure proper planning and effective participation in meetings. In certain exigencies, decisions of the Board are also accorded through circulation. During the financial year 2022-2023, the Board of Directors of the Company, met 05 (Five) times on May 28, 2022; June 27, 2022; August 12, 2022; November 12, 2022 and February 14, 2023. The Meeting details are provided in the Corporate Governance report that forms part of this Annual Report. The gap between two consecutive board meetings is less than 120 days. Pursuant to the requirements of Schedule IV to the Companies Act, 2013 and the SEBI (LODR) Regulations, 2015, a separate Meeting of the Independent Directors of the Company was also held on March 18, 2023, without the presence of Non-Independent Directors and members of the management, to review the performance of non-independent directors and the Board as a whole, the performance of the Chairperson of the company and also to assess the quality, quantity and timeliness of flow of information between the company management and the Board.

#### **18. Directors Responsibility Statement**

In Compliance with Section 134(5) of the Companies Act, 2013, the Board of Directors hereby confirm the following:

- (a) In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) The Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;
- (c) The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) The Directors had prepared the annual accounts on a going concern basis;
- (e) The Company is responsible for establishing and maintaining adequate and effective internal financial controls with regard to its business operations and, in the preparation and presentation of the financial statements, in particular, the assertions on the internal financial controls in accordance with broader criteria established by the Company. Towards the above objective, the Directors have laid down internal financial controls based on internal controls framework established by the Company, which in all material respects were operating effectively as at March 31, 2023.
- (f) The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively. The Company has substantially complied with material provisions of such acts and regulations as are relevant for its operations.

#### **19. Deposits**

The Company has not accepted any fixed deposits from the public.

#### **20. Particulars of employees and remuneration**

The information required under Section 197 of the Act read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is as per Annexure E.

#### **21. Directors and Key Managerial Personnel**

##### **a. Retire by rotation**

In accordance with the provisions of the Act and the Articles of Association of the Company, Mr. Devraj T. Poojary of the Company, retires by rotation at the 28<sup>th</sup> e-AGM and being eligible, offered himself for re-appointment.

##### **b. Re-appointment of Directors:**

Re-appointment to Anuradha Kashikar, Executive Director of the Company for a period of 03 (Three) years from April 1, 2024 to March 31, 2027 Subject shareholders' approval in the ensuing Annual General Meeting.

##### **c. Independent Directors' Declaration**

The Independent Directors have submitted their disclosures to the Board that they fulfil all the requirements as stipulated in Section 149(7) 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. The Board has Independent Non-Executive Director based on fit and proper criteria ~ qualification, expertise, track record, integrity etc. With the enactment of the Companies Act, 2013 ('the Act') it is mandatory for every listed Company to appoint requisite number of 'Independent Directors' as defined in Section 149(6) of the Companies Act, 2013. The Company, in compliance with the SEBI (LODR) Regulations, 2015, has already appointed Shri Sunil C. Modi, Shri Bhushan S. Limaye, Shri Jagadish B. Shetty and Shri Neel M. Vora as Independent Non-Executive Directors of the Company on the Board. The Board is of the opinion that the existing Independent Directors fulfil the criteria as specified in Section 149 of the Companies Act, 2013 and the Rules made thereunder. Brief profile of the Directors proposed to be appointed / re-appointed and other

information as stipulated under SEBI (LODR) Regulations, 2015 and Secretarial Standard 2 are part of the Corporate Governance Report annexed to this Report.

**d. Board Evaluation**

Pursuant to the provisions of the Companies Act, 2013 and the SEBI (LODR) Regulations, 2015, a structured questionnaire was prepared after taking into consideration the various aspects of the Board's functioning, composition of the Board and its Committees, culture, execution and performance of specific duties, obligations and governance. The performance evaluation of the Independent Directors was completed. The performance evaluation of the Chairman and the Non-Independent Directors was carried out by the Independent Directors. The Board of Directors expressed their satisfaction with the evaluation process.

**e. Managerial Remuneration Policy**

The policy on appointment and remuneration of Directors and Key Management Personnel provides an underlying basis and guide for human resource management, thereby aligning plans for strategic growth of the Company. While deciding on the remuneration for Directors and Key Management Personnel, the Board and the Nomination and Remuneration Committee consider the performance of the Company, the current trends in the industry, the qualifications of the appointee(s), their experience, past performance and other relevant factors. The policy is pursuant to Section 178(4) of the Companies Act, 2013. The Managerial Remuneration Policy is available at the website of the company: <http://www.centenialindia.com>.

**f. Policy on Directors Appointment and Remuneration**

The policy of the Company on Director's appointment and remuneration, including the criteria for determining qualifications, positive attributes, Independence of a Director and other matters, as required under sub section (3) of Section 178 of the Companies Act, 2013. The details of significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future. During the year, there has been no significant material orders passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future.

**22. Attributes, qualifications & independence of directors, their appointment and remuneration**

The Nomination & Remuneration Committee of Directors have approved a Policy for Selection, Appointment and Remuneration of Directors which inter-alia requires that composition and remuneration is reasonable and sufficient to attract, retain and motivate Directors, KMP and senior management employees and the Directors appointed shall be of high integrity with relevant expertise and experience so as to have diverse Board and the Policy also lays down the positive attributes/criteria while recommending the candidature for the appointment as Director.

**23. Declaration of Independent Directors**

The Independent Directors have submitted their disclosures to the Board that they fulfil all the requirements as stipulated in Section 149(7) 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.

**24. Familiarisation Programme for Independent Directors**

The details of training and familiarisation programme are provided in the Corporate Governance Report. Further, at the time of appointment of an Independent Non-Executive Director, the Company issues a formal letter of appointment outlining his / her role function, duties and responsibilities. The format of the letter of appointment is available on our website: [http://www.centenialindia.com/corporate/code\\_of\\_conduct/](http://www.centenialindia.com/corporate/code_of_conduct/)

**25. Credit Ratings**

CRISIL continued to reaffirm their rating of "BBB-/Stable" and "A3", for various banking facilities throughout the year enabling your Company to avail facilities from bank(s) at attractive rates indicating a very strong degree of safety for timely payment of financial obligations.

**26. Statutory Auditors**

M/s. Mahesh Chandra & Associates, Chartered Accountants, Firm Registration No. 112334W who were appointed as Statutory Auditors of the Company by the Shareholders of the Company in their 25th Annual General Meeting held in September 28, 2020 for a period of five years shall be the Statutory Auditors of the Company. The requirement under the proviso to Section 139(1) that "the Company shall place the matter relating to such appointment (of auditors) for ratification by members at every annual general meeting" has been omitted from the Companies Act, 2013. Therefore, the Company does not propose ratification of appointment of statutory auditors for the approval of the members. They have further confirmed that they are not disqualified to be appointed as Statutory Auditor in terms of the provisions to Section 139 and Section 141 of the Act and the rules made thereunder. The proposed fees payable to the Statutory Auditor for the statutory audit of financial year would be Rs. 1.75 lakhs excluding the fees for limited review, other services availed, if any and out of the pocket expenses.

**27. Internal Auditors**

M/s. Utsav Shah & Associates, Chartered Accountants, are appointed with scope of the Internal Audit duly approved by the Audit Committee. And who have issued their reports on quarterly basis.

**28. Secretarial Audit**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors had appointed M/s. HSPN & Associates LLP, Practising Company Secretaries, to conduct the Secretarial Audit of the Company for the Financial Year. The Secretarial Auditor's Report is annexed as Annexure 1 and forms an integral part of this Report.

**29. Cost records and Auditors**

The Company is not required under Section 148(1) of the Companies Act, 2013 read with Companies (Audit & Auditors') Rules, 2014 and the Companies (Cost Records and Audit) Amendments Rules, 2014, the Company is not required to maintain the cost records in respect of its business and accordingly such accounts and records are not made and maintained. No Cost Audit under the provisions of Section 233B of the Companies Act, 1956 has been carried out. The cost audit is applicable in the following situations:

**Table A specified goods/services –**

- Overall annual total turnover of the company from all the products/services is INR 50 Crore or more; and
- Aggregate turnover from the individual product/service for which cost records are required to be maintained is INR 25 Crore or more.

**Table B specified goods/services –**

- Overall annual total turnover of all the products/services should be INR 100 Crore or more; and
- Aggregate turnover from the individual product/service for which cost records are required to be maintained should be INR 35 Crore or more.

As the Company does not satisfy the above-mentioned criteria, the cost audit is not applicable and the company has taken legal steps to quash the proceedings of the Registrar of Companies, Maharashtra against the company and we do not see any financial impact in this matter.

**30. Auditors' Qualifications / reservations / adverse remarks / Frauds reported**

The Auditors' Report does not contain any qualifications, reservations or adverse remarks. However, the Secretarial Audit Report contain qualification pursuant to Regulation 31(2) of SEBI (LODR) Regulations, 2015 for dematerialisation of promoter shareholding. The Company would like to inform that promoters are working to convert 600 shares of Promoters physical shareholding into demat as per Regulation 31(2) of SEBI (LODR) Regulations, 2015.

**31. Management discussion and analysis**

Management's Discussion and Analysis Report for the year under review, as stipulated under the SEBI (LODR) Regulations, 2015 is presented in a separate section forming part of the Annual Report.

**32. Corporate Governance Code**

The Company is committed towards maintaining the highest standards of Corporate Governance and adhering to the Corporate Governance requirements as set out by Securities and Exchange Board of India. The Report on Corporate Governance as stipulated under regulation 34 (3) and Part C of schedule V of SEBI (LODR) Regulations, 2015 forms part of the Annual Report. The Certificate from the practicing Company Secretary confirming compliance with the conditions of Corporate Governance as stipulated under regulation 34 (3) and Part E of schedule V of the SEBI (LODR) Regulations, 2015 is also published in this Annual Report as **Annexure B**.

**33. Subsidiary, joint ventures and associate companies**

The Company has no subsidiary and not entered in joint ventures.

**34. Whistle Blower Policy / Vigil Mechanism**

The Company has implemented a whistle blower policy, whereby employees, Directors and other stakeholders can report matters such as generic grievances, misconduct, misappropriation of assets and non-compliance to code of conduct to the Company. The policy safeguards the whistle blowers to report concerns or grievances and also provides direct access to the Chairman of the Audit Committee. The Vigil Mechanism Policy is available at the website of the company: <http://www.centennialindia.com>

**35. Reporting of frauds by Auditors**

During the year under review, the Statutory Auditors and the Secretarial Auditor have not reported to the Audit Committee under Section 143(12) of the Companies Act, 2013, any instance of fraud committed in the Company, by its officers or employees.

**36. Annual evaluation by the board**

In compliance with the Companies Act, 2013, and Regulation 17 of the SEBI (LODR) Regulations, 2015, the performance evaluation of the Board and its Committees were carried out during the year under review. More details on the same are given in the Corporate Governance Report.

**37. Material changes and commitments, if any, affecting the financial position of the Company which have occurred between the End of the financial year of the company to Which the financial statements relate and the date of the report**

There are no material changes and commitments affecting the financial position of the Company occurred during the financial year and the date of this report.

**38. The details of significant and material orders passed by the regulators or courts Or tribunals impacting the going concern Status and company's operations in future**

During the year there has been no significant material orders passed by the Regulators or Courts or Tribunals impacting the going concern status and company's operations in future.

**39. Committees of the Board**

In accordance with the Companies Act, 2013, the Board has formed currently three Committees as follows:

- Audit Committee
- Nomination and Remuneration Committee
- Stakeholders' Relationship Committee

Details of all the Committees along with their charters, composition and meetings held during the year, are provided in the "Report on Corporate Governance", a part of this Annual Report.

**40. Statement Concerning Development and Implementation of Risk Management Policy of the Company**

The Company has in place a mechanism to identify, assess, monitor and mitigate various risks to key business objectives. Major risks identified by the businesses and functions are systematically addressed also discussed at the meetings of the Audit Committee and the Board of Directors of the Company.

**41. Other disclosures**

The Company does not have any Employees Stock Option Scheme in force and hence particulars are not furnished, as the same are not applicable. No proceedings against the Company is initiated or pending under the Insolvency and Bankruptcy Code, 2016. The details of difference between amount of the valuation done at the time of one-time settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof – Not Applicable.

**42. Board policies**

The Company seeks to promote highest levels of ethical standards in the normal business transactions guided by the value system. The SEBI (LODR) Regulations, 2015 mandates formulation of certain policies for listed companies. The Policies are reviewed periodically by the Board and are updated based on the need and compliance as per the applicable laws and rules and as amended from time to time. The policies are available on the website of the Company at [www.centenialindia.com](http://www.centenialindia.com).

**43. Compliance of applicable secretarial standards**

Your Directors hereby confirm that the Company has complied with the necessary provisions of the revised Secretarial Standard 1 and Secretarial Standard 2 to the extent applicable to the Company.

**44. Enhancing shareholder value**

Your Company firmly believes that its success, the marketplace and a good reputation are among the primary determinants of value to the shareholder. The organisational vision is founded on the principles of good governance and delivering leading-edge products backed with dependable after sales services. Following the vision your Company is committed to creating and maximising long-term value for shareholders.

**45. Financial Statements / Disclosure of Accounting Treatment in the preparation of Financial Statements**

The financial statements of the Company have been prepared in accordance with the Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015. These are the Company's first Ind AS Financial Statements. The significant accounting policies which are consistently applied are set out in the Notes to the financial statements.

**46. Share Capital**

The paid-up equity shares capital of the Company as on March 31, 2023 was Rs.364.83 Lakhs. During the year under review, the Company has not issued shares with differential voting rights nor granted stock options nor sweat equity.



#### 47. Cautionary statement

Statements in the Board's Report and the Management Discussion & Analysis describing the Company's objectives, expectations or forecasts may be forward looking within the meaning of applicable securities laws and regulations. Actual results may differ materially from those expressed in the statement. Important factors that could influence the Company's operation include global and domestic demand and supply conditions affecting selling prices of raw materials, finished goods, input availability and prices, changes in government regulations, tax laws, economic developments within and outside the country and various other factors.

#### 48. Insurance

All properties and insurable interests of the Company including buildings, plant and machinery and stocks have been fully insured.

#### 49. People and Safety

CENTENIAL values all our employees and makes effort through Quality of work life to help their growth. Your Company has always placed emphasis on our people and safety at workplace. Industrial relations in the Company were cordial throughout the business year under review.

#### 50. Environment and safety

The Company accords the highest priority for maintaining safety standards and a pollution-free environment.

#### 51. Research and Development

The Company's research & development activities continue to be directed towards up gradation of technology & development of new product codes & packaging lines. Your Company's commitment is to meet & exceed those expectations.

#### 52. Goods and Services Tax (GST)

GST, which was implemented on July 1, 2017 as 'one nation one tax', is an all-pervasive event. It has comprehensively impacted consumption of all goods and services, triggering a colossal change in the way business dealings take place. GST, which is still evolving, provides an opportunity to reset the way business transactions could be optimized for efficiency in cost and quality. Due to its multifaceted impact, GST has become an important factor in competitive businesses environment. GST on sutures and other medical devices 12%. However, the increase in headline tax is likely to be offset by the tax efficiencies that may accrue on procurements. Your Company is geared to deal with the challenges thrown up as a result of numerous amendments made by our Government viz: implementation of E-Way Bill system, matching credit concepts, anti-profiteering provisions, etc.

#### 53. Certification of ISO 9001:2015 | ISO 13485:2016 | WHO-GMP | ISO 45001:2018 | Medical devices conformity to 93/42/EEC medical directives.

Our Company is ISO 9001:2015, ISO 13485:2016, WHO-GMP, ISO 45001:2018 and medical devices are in conformity to medical device directives 93/42/EEC, Medical Device Rules, 2017 and these stringent system means effective control over every step to achieve true Quality Assurance for our medical devices.

#### 54. Acknowledgments

Your Directors would like to express their appreciation for the assistance and co-operation received from the Food and Drugs Administration, CDSCO, Banks, Government Authorities, Surgeons, Hospitals, Nursing homes, the committed services by our Executives, Staff and Employees, to the members of the Board for their guidance who contributed to the success of our Company.

By Order of the Board of Directors

For **C**ENTENIAL SURGICAL SUTURE LTD

Place of Signature: Mumbai, Maharashtra

Date: August 12, 2023

Corporate Identification Number: L99999MH1995PLC089759

Registered Office:

F-29, MIDC, Murbad, Thane 421401. MAHARASHTRA.

Email: admin@centenialindia.com / Website: www.centenialindia.com

Tel: (2524) 222905 | Fax: (2524) 222872

**Vijay Majrekar**  
Chairman and Managing Director  
DIN: 00804808

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

FOR THE FINANCIAL YEAR ENDED ON MARCH 31, 2023

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

To,  
The Members,  
Centenial Surgical Suture Limited.

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Centenial Surgical Suture Limited (hereinafter called "The Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period ended on March 31, 2023 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers and minute books, Forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2023, to the extent applicable provisions of:

- I. The Companies Act, 2013 ("The Act") and the Rules made thereunder;
- II. The Securities Contracts (Regulation) Act, 1956 ("SCRA") and the Rules made thereunder;
- III. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- IV. Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- V. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ("SEBI Act") to the extent applicable to the Company: -
  - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - d. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993;
  - e. The Company has complied with the requirements under the Equity Listing Agreements entered into with BSE Limited.
- VI. Further report that, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test – check basis, the Company has complied with the following laws applicable specifically to the Company
  - (I) Air (Prevention and Control of Pollution) Act, 1981 and Rules issued by the State Pollution Control Boards;
  - (II) Water (Prevention and Control of Pollution) Act, 1974 and Rules issued by the State Pollution Control Boards, and

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

- i) Secretarial Standards 1 and 2 as issued and revised by The Institute of Company Secretaries of India with effect from October 1st, 2017.
- ii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended and made effective from time to time.

During the year under review, the Company has in general complied with the provisions of the Act, Rules, Regulations, Guidelines and Standards as mentioned above, subject to the following observation(s):

- During the year Company has not complied as per Regulation 31(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as regards to hundred percent (100%) shareholding of promoter(s) and promoter group in Demat form.
- We further report that:  
The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the year under review were carried out in compliance with the provisions of the Act.