



The Indian Card Clothing Company Limited
68th Annual Report 2021-22

FINANCIAL DATA SUMMARY

(Rs. in Lakh)

Sr. No.	Particulars for the year ended	IND AS				
		31-Mar-22	31-Mar-21	31-Mar-20	31-Mar-19	31-Mar-18
	STATEMENT OF PROFIT AND LOSS					
1	Card Clothing Sales (Net)	5,233.41	4,043.87	4,236.00	3,864.10	5,231.42
	Includes Export	1,822.65	1,128.05	1,459.30	1,002.73	1,586.73
2	Other Income					
	Dividend & Interest	148.09	75.76	94.31	126.61	189.95
	Profit / (Loss) on Sale of Investment	320.27	148.17	54.16	170.26	139.91
	Profit on Sale of Assets	22,043.36	22.62	324.28	0.42	-
	Rent and other operating Income	319.89	486.98	893.04	763.13	686.75
	Others	102.30	82.54	8.00	14.23	220.92
	Total	22,933.91	816.06	1,373.79	1,074.65	1,237.53
3	Material Cost Including Stock Change	(2,068.53)	(1,459.59)	(1,796.91)	(1,874.55)	(2,081.20)
	Material Cost to Net Sales %	-39.53%	-36.09%	(42.42%)	(48.51%)	(39.78%)
4	Staff Cost	(1,311.65)	(1,196.84)	(1,251.51)	(1,521.23)	(2,426.04)
5	Other Expenses	(1,955.81)	(1,663.94)	(2,204.06)	(2,762.43)	(2,173.41)
6	Depreciation	(425.60)	(387.06)	(395.34)	(404.13)	(517.31)
7	Interest	(203.51)	(171.03)	(278.26)	(260.38)	(241.37)
8	Profit Before Exceptional Items and Tax	22,202.22	(18.53)	(316.29)	(1,883.97)	(970.38)
9	Exceptional item , VRS Payment	-	-	-	-	(1,302.30)
10	Profit Before Tax	22,202.22	(18.53)	(316.29)	(1,883.97)	(2,772.68)
11	Current & Deferred Tax	3,067.82	(70.31)	(101.40)	(83.36)	491.54
12	Profit After Tax	19,134.40	(88.84)	(417.69)	(1,967.33)	(1,781.14)
13	Earning Per Share Rs.	322.07	(1.70)	(9.18)	(43.23)	(39.14)
14	Dividend Per Share Rs.	25.00	-	-	-	-
	BALANCE SHEET					
15	Fixed Assets					
	Gross Block	12,154.72	12,264.31	11,202.55	11,421.17	11,315.07
	Depreciation	(7,247.97)	(8,171.81)	(8,033.19)	(8,110.33)	(7,716.19)
	Net Block	4,906.75	4,092.50	3,169.36	3,310.84	3,598.88
16	Investments	3,409.51	994.94	1,676.75	2,868.38	6,621.50
17	Other Current and non Current Assets	21,086.04	5,455.63	4,100.40	3,715.87	3,512.53
18	Less : Current and non Current liabilities and Provisions	(1,268.62)	(1,415.75)	(1,677.43)	(2,841.52)	(4,778.01)
19	Net Current and Non Current Assets	19,817.42	4,039.88	2,422.97	874.35	(1,265.48)
20	Deferred Tax	176.26	302.38	375.34	472.51	548.76
	APPLICATION OF FUNDS	28,309.94	9,429.69	7,644.42	7,526.08	9,503.66
21	Share Capital	594.11	594.11	455.11	455.11	455.11
22	Reserves & Surplus	25,820.33	6,676.10	5,446.26	5,875.20	7,862.76
23	Borrowings	1,895.50	2,159.48	1,743.05	1,195.77	1,185.79
	SOURCES OF FUNDS	28,309.94	9,429.69	7,644.42	7,526.08	9,503.66

Figures for financial year 2017-18 and 2018-19 are restated as per IND AS.

THE INDIAN CARD CLOTHING COMPANY LIMITED

DIRECTORS AS ON MARCH 31, 2022

Prashant Trivedi	Chairman
Mehul Trivedi	Deputy Chairman
Jyoteendra Kothary	Director
Sudhir Merchant	Director
Sangeeta Pandit	Director
Darshan Bhatia	Director
Sanjeevkumar Karkamkar	Director

AUDITORS

P.G. Bhagwat LLP,
Chartered Accountants,
Suites 101 – 102, 'Orchard',
Dr. Pai Marg, Baner,
Pune – 411 045.

SOLICITORS

M/s. Crawford Bayley & Co.,
State Bank Building,
N.G. Vaidya Marg,
Mumbai – 400 023.

BANKERS

HDFC Bank Limited
Union Bank of India

MANAGEMENT TEAM

Alok Misra	Chief Executive Officer
Amogh Barve	Company Secretary and Head Legal & Corporate Affairs
Chandrakant Patil	Chief Financial Officer
Nitin Latkar	Plant Head
Vishal Upadhye	Head-Human Resource

ANNUAL GENERAL MEETING

Thursday, September 8, 2022, 11:30 a.m. (IST)
through two-way video conferencing (VC)
facility / Other Audio Visual Means (OAVM)
from the Registered office of the Company.

REGISTERED OFFICE

"Katariya Capital", A-19,
Vidyut Nagar Society,
Lane No. 5, Koregaon Park,
Pune – 411001
Tele-Fax : +91-20-26151618
E-mail : investor@cardindia.com
Website : www.cardindia.com

REGISTRAR AND TRANSFER AGENT

KFin Technologies Private Limited
Selenium, Tower B,
Plot No. 31 & 32, Gachibowli,
Financial District, Nanakramguda,
Serilingampally,
Hyderabad – 500 032.
Phone : +91 40 67162222
Fax : +91 40 23420814
E-mail : einward.ris@kfintech.com

CONTENTS

Notice	01-16
Board's Report	17-31
Management Discussion and Analysis Report	32-37
Report on Corporate Governance	38-58
Independent Auditor's Report on Standalone Financial Statements	59-69
Standalone Financial Statements together with Notes to Accounts	70-112
Independent Auditor's Report on Consolidated Financial Statements	113-119
Consolidated Financial Statements together with Notes to Accounts	120-161

NOTICE OF 68TH ANNUAL GENERAL MEETING

NOTICE is hereby given that the Sixty Eighth (68th) Annual General Meeting (AGM) of the members of THE INDIAN CARD CLOTHING COMPANY LIMITED will be held on Thursday, September 8, 2022, at 11:30 a.m. (IST), through two-way video conferencing (VC) facility / Other Audio Visual Means (OAVM) from the Registered office of the Company, i.e., "Katariya Capital", A-19, Vidyut Nagar Society, Lane No. 5, Koregaon Park, Pune – 411001 which shall be deemed to be the venue of the meeting to transact the following business:

ORDINARY BUSINESS :

- 1) To receive, consider and adopt the Audited Standalone Financial Statements of the Company for the financial year ended March 31, 2022 together with the reports of the Board of Directors and the Auditors thereon.
- 2) To receive, consider and adopt the Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2022, together with the report of the Auditors thereon.
- 3) To appoint a Director in place of Mr. Prashant K. Trivedi (DIN: 00167782), who retires by rotation and being eligible, offers himself for re-appointment.
- 4) To consider, and, if thought fit, to pass the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of sections 139, 141, 142 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, (including any statutory modification(s) or re-enactment thereof for the time being in force) and other applicable provisions, if any and on the recommendation of the Audit Committee and the Board of Directors, P. G. Bhagwat LLP, Chartered Accountants, Pune (Firm Registration No.: 101118W/W100682) be and are hereby re-appointed as the Statutory Auditors of the Company to hold the office for the second term of five consecutive years commencing from the conclusion of this Annual General Meeting (AGM), till the conclusion of 73rd Annual General Meeting of the Company, at such remuneration and reimbursement of actual out of pocket expenses as may be mutually agreed between the Board of Directors of the Company and the Auditors plus taxes, and the Board of Directors (including a Committee thereof), be and is hereby authorized to do all such acts, deeds, matters and things as may be necessary, relevant, usual and / or expedient for giving effect to this resolution."

By Order of the Board of Directors
For The Indian Card Clothing Company Limited

Place : Pune
Date : August 11, 2022

Amogh Barve
Company Secretary and Head Legal & Corporate Affairs
(Membership No. : A33080)

NOTES:

- 1) The Statement pursuant to Section 102 of the Companies Act, 2013, ("the Act") setting out material facts in respect of Item No. 4 is annexed hereto. The Board of Directors of the Company at its meeting held on August 11, 2022 considered that the special business under Item Nos. 4 being considered unavoidable, be transacted at the 68th AGM of the Company. The relevant details as required under Regulation 36(3) of SEBI LODR Regulations and Secretarial Standard on General Meeting (SS-2) of the Institute of Company Secretaries of India (ICSI), of persons seeking appointment / re-appointment as Directors are provided in the **Attachment – I** to this Notice.
- 2) In view of the outbreak of the COVID-19 pandemic, social distancing norm to be followed and the continuing restriction on movement of persons at several places in the country and pursuant to General Circular Nos. 14/2020 dated April 08, 2020, 17/2020 dated April 13, 2020, 20/2020 dated May 05, 2020, 02/2021 dated January 13, 2021, 19/2021 dated December 12, 2021, 21/2021 dated December 14, 2021 and 2/2022 dated May 05, 2022 issued by the Ministry of Corporate Affairs ("**MCA**") (hereinafter collectively referred to as "**MCA Circulars**") AND Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020, SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021 and SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022, issued by the Securities and Exchange Board of India ("**SEBI**") (hereinafter collectively referred to as "**SEBI Circulars**") and in compliance with the provisions of the Act and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time ("**the Listing Regulations**"), the 68th AGM of the Company is being conducted through VC/OAVM Facility, which does not require physical presence of members at a common venue. Complete details and instructions for Instructions for the members for attending the e-AGM through VC/OAVM are furnished as **Attachment – II** to the Notice.
- 3) Company has appointed National Securities Depository Limited (NSDL) to provide Video Conferencing facility for the 68th Annual General Meeting (AGM) and the attendant enablers for conducting of the AGM.
- 4) Pursuant to the provisions of the circulars of MCA on the VC/OVAM(AGM):
 - a) Members can attend the meeting through the login credentials provided to them to connect to Video conference. Physical attendance of the Members at the Meeting venue is not required.
 - b) The facility of appointment of proxies to attend and cast vote on behalf of the member will not be available for the 68th AGM of the Company and hence the Proxy Form is not annexed hereto.
 - c) Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and participate thereat and cast their votes through e-voting.
- 5) The members can join the AGM 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice.
- 6) Members may note that the VC/OAVM Facility provided by NSDL allows participation of atleast 1000 Members on a first-come-first-served basis. The large shareholders (i.e. 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. can attend the AGM without any restriction on account of first-come- first-served principle.
- 7) The attendance of the members (members logins) attending the AGM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
- 8) The Register of Members and the Share Transfer Books of the Company will remain closed from Friday, September 2, 2022 to Thursday, September 8, 2022 (both days inclusive).
- 9) Members holding equity shares in multiple folios in the identical order of names are requested to consolidate their holdings into one folio by directing all correspondence to the Registrar and Transfer Agent of the Company.
- 10) Members are requested to note the following:
 - a) Members holding shares in physical form are requested to intimate any change in their address, name, bank details, ECS Mandates, nominations, power of attorney, etc. to the Company's Registrar and Transfer Agent, KFin Technologies Limited (Attention – Mr. Anil Dalvi), Selenium, Tower B, Plot Nos. 31 & 32, Financial District,

THE INDIAN CARD CLOTHING COMPANY LIMITED

Nanakramguda, Serilingampally Mandal, Hyderabad – 500032, Telephone – +91-40-67162222, E-mail ID - einward.ris@kfintech.com.

- b) Members holding shares in physical form are requested to consider converting their share certificates into dematerialized form to eliminate risks associated with physical shares and for ease in portfolio management. Members can contact the Company's Registrar and Transfer Agent for any assistance in this regard.
- c) Members holding shares in dematerialized form are requested to intimate any change in their address, name, bank details, ECS Mandates, nominations, power of attorney, etc. to their respective Depository Participants (DPs) only. Quote their registered folio number in case of shares in physical form and DP ID & Client ID in respect of shares held in dematerialized form, in all the correspondence with the Company.
- 11) The Company has during the financial year 2021-22, transferred unclaimed final dividend declared for the financial year 2013-14 to the Investor Education and Protection Fund (IEPF). During the financial year 2021-22, the Company has also transferred all the shares in respect of which dividend had remained unclaimed for seven consecutive years or more to the Investor Education and Protection Fund (IEPF).
- 12) Those members who have so far not encashed their dividend warrants for the final dividend for the financial year 2014-15 onwards, may approach the Registrar and Transfer Agent (RTA) of the Company i.e., KFin Technologies Limited [previously known as KFin Technologies Private Limited] (Attention – Mr. Anil Dalvi), Selenium, Tower B, Plot Nos. 31 & 32, Financial District, Nanakramguda, Serilingampally Mandal, Hyderabad – 500032, Telephone – +91-40-67162222, E-mail ID [-einward.ris@kfintech.com](mailto:einward.ris@kfintech.com), for making their claim without any further delay as the said unpaid dividends will be transferred to the IEPF pursuant to the provisions of the Act. Further, the Ministry of Corporate Affairs has notified new rules, namely "Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016" which have come into force from September 7, 2016. The said Rules, amongst other matters, contain provisions for transfer of all shares in respect of which dividend has not been paid or claimed for seven (7) consecutive years in the name of IEPF Suspense Account. The details of unpaid / unclaimed dividend and number of shares liable to be transferred are available on our website i.e. www.cardindia.com.
- 13) Members are requested to note that no claim shall lie against the Company in respect of any dividend amount which was unpaid / unclaimed for a period of seven (7) years and transferred to the IEPF. However, members may claim from the IEPF Authority, both unclaimed dividend amount and the shares transferred to IEPF Suspense Account as per the applicable provisions of the Act and rules made thereunder.
- 14) The dividend for the financial year ended March 31, 2015 which remains unclaimed for a period of seven (7) years, becomes due for transfer on September 10, 2022 to the IEPF. Members who have not claimed their dividend for the above-mentioned years are requested to send their claim to the RTA, at the earliest.
- 15) This Notice of the 68th Annual General Meeting of the Company dated August 11, 2022 ("the Notice") along with the Annual Report 2021-22 is being sent by electronic mode to those members whose e-mail addresses are registered with the Company / Depositories. The same has also been uploaded on the website of the Company, i.e. www.cardindia.com and can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively. The same is also available on the website of e-voting agency National Securities Depository Limited (NSDL) at their website address <https://www.evoting.nsdl.com> and can be accessed. It is hereby clarified that the members shall still be entitled to receive physical copies through permitted mode by making a specific request for the same by writing to the Company or to the Registrar and Transfer Agent of the Company mentioning their DP ID & Client ID/Folio No.
- 16) To support the 'Green Initiative', members who have not registered their e-mail addresses are requested to register the same with the Registrar and Transfer Agent / Depositories.
- 17) The Securities and Exchange Board of India ("SEBI") has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their DP with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Registrar and Transfer Agent.
- 18) The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Act, the register of contracts or arrangements in which the directors are interested, maintained under section 189 of the act, will be available for inspection by the members through electronic mode during the AGM and will be also available for inspection by the members on the website of the Company at www.cardindia.com.

19) Voting through electronic means:

Pursuant to the provisions of Section 108 of the Act, the rules made thereunder and Regulation 44 of the Listing Regulations (as amended), the Company is providing an option to the members to exercise their right to vote by electronic means (remote e-voting). Complete details and instructions for **remote e-voting** are furnished as **Attachment – III** to the Notice. These details form an integral part of the Notice.

20) Further, the members attending the AGM who have not cast their vote through remote e-voting, can cast their votes by using remote e-voting facility on the day of the AGM by following the instructions stated in **Attachment - III**.

21) The Board of Directors has appointed Mr. Devendra Deshpande, Proprietor of DVD & Associates, Practicing Company Secretary (Membership No. F6099 / CP. No. 6515), as a Scrutinizer to scrutinize the remote e-voting process and e-voting at the AGM in a fair and transparent manner.

22) The Scrutinizer's decision on the validity of the vote shall be final.

23) Once the vote on resolution stated in this notice is cast by Member through remote e-voting, the member shall not be allowed to change it subsequently and such e-vote shall be treated as final. The Members who have cast their vote by remote e-voting may also attend the Meeting, however such Member shall not be allowed to vote again.

24) The Scrutinizer after scrutinizing the votes cast on the day of AGM and vote cast through remote e-voting, will make a consolidated Scrutinizer's Report and submit the same forthwith not later than 48 hours of conclusion of the Meeting to the Chairman / any other Director/ Company Secretary of the Company or a person authorized by him in writing, who shall countersign the same.

25) The results declared along with the Scrutinizer's report will be forwarded to BSE Limited and National Stock Exchange of India Limited; be displayed at the Registered Office of the Company and simultaneously uploaded on the Company's website viz. www.cardindia.com and www.evoting.nsdl.com.

26) Subject to the receipt of requisite number of votes, the resolutions forming part of the Notice of Annual General Meeting shall be deemed to be passed on the date of AGM i.e., Thursday, September 8, 2022.

27) Since the AGM will be held through VC / OAVM, the Route Map is not annexed in this Notice.

By Order of the Board of Directors
For The Indian Card Clothing Company Limited

Place : Pune
Date : August 11, 2022

Amogh Barve
Company Secretary and Head Legal & Corporate Affairs
(Membership No. : A33080)

Annexure to the Notice

As required by Section 102(1) of the Companies Act, 2013, (hereinafter referred to as "the Act") the following Explanatory Statement sets out material facts relating to the ordinary business mentioned under Item No. 4 of the Notice dated August 10, 2022.

Item No. 4

This explanatory statement is in terms of Regulation 36(5) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), however, the same is strictly not required as per Section 102 of the Act.

The Members of the Company at the 63rd Annual General Meeting had appointed M/s. P. G. Bhagwat, Chartered Accountants, Pune (Firm Registration No.: - 101118W), as Statutory Auditors of the Company to hold office from the conclusion of 63rd Annual General Meeting for the period of 5 years until the conclusion of 68th Annual General Meeting of the Company. Accordingly, the current term of P. G. Bhagwat LLP, Chartered Accountants as Statutory Auditors of the Company concludes at the conclusion of this Annual General Meeting. Section 139 (2) of the Act inter alia provides for appointment of an Audit firm as Company's Auditor for two (2) terms of five (5) consecutive years.

After evaluating and considering various factors such as industry experience, competency of the audit team, efficiency in conduct of audit, independence, etc., the Board of Directors of the Company has, based on the recommendation of the Audit Committee, at its meeting held on August 11, 2022, proposed the re-appointment of P. G. Bhagwat LLP, Chartered Accountants, Pune (Firm Registration No.: 101118W/W100682) as the Statutory Auditors of the Company, for a second term of five consecutive years from the conclusion of 68th AGM till the conclusion of 73rd AGM of the Company on such remuneration as may be mutually agreed between the Board of Directors of the Company on the recommendation of the Audit Committee from time to time.

P. G. Bhagwat LLP have consented to their appointment as Statutory Auditors and have confirmed that if appointed, their appointment will be in accordance with Section 139 read with Section 141 of the Act.

Information as required under Regulation 36(5) of SEBI Regulations:

Brief profile, terms & conditions of appointment and the proposed fee of the Statutory Auditors, are as follows:

● Brief Profile:

Late Mr. P. G. Bhagwat (Membership Number 131) started this firm in Mumbai as a proprietary firm in the year 1938. This was converted into Partnership in the year 1955. Since then, the firm continues to be a partnership firm. Further, M/s P. G. Bhagwat, Chartered Accountants, a partnership firm was converted into Limited Liability Partnership with effect 28th September 2020, now known as P. G. Bhagwat LLP, Chartered Accountants. The Firm has varied experience in the audit, assurance & management services over last 80 years.

● Terms of Appointment:

P. G. Bhagwat LLP, Chartered Accountants, Pune ((Firm Registration No.: 101118W/W100682) shall continue as the Statutory Auditors of the Company for the second term of five consecutive years commencing from the conclusion of this 68th Annual General Meeting (AGM) till the conclusion of 73rd Annual General Meeting of the Company.

● Fees Payable:

The remuneration paid to P.G. Bhagwat LLP, Chartered Accountants, Pune at the expiry of their first term of 5 years was Rs. 10,50,000/- per annum plus applicable taxes and reimbursement of out-of-pocket expenses at actuals.

The Audit Committee and the Board of Directors have recommended that for the second term of five years, P.G. Bhagwat LLP, Chartered Accountants, Pune be paid a remuneration of Rs. 13,00,001/- per annum plus applicable taxes and reimbursement of out-of-pocket expenses at actuals with an escalation in the remuneration of 7.5% per annum.

The fees for services in the nature of statutory certifications and other professional work in addition to the remuneration mentioned above shall be decided by the management in consultation with the Statutory Auditors, subject to the recommendation of the Audit Committee and approval of the Board of Directors.

Similarly, any further revision in the above remuneration of the Statutory Auditor shall be subject to the recommendation of the Audit Committee and approval of the Board of Directors.

- Basis of recommendation for appointment including details and credentials:

The Audit Committee and the Board of Directors, while recommending the appointment of P. G. Bhagwat LLP, Chartered Accountants, Pune as the Statutory Auditors of the Company, have taken into consideration, among other things, the credentials of the firm and partners, proven track record of the firm in the industry and eligibility criteria prescribed under the Act.

None of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise in the resolution set out at Item No. 04, except to the extent of their shareholding, if any, in the Company.

The Resolution as set out in Item No. 4 of the Notice is recommended by the Board to be passed as an Ordinary Resolution.