



**NOT LOSING
SIGHT OF WHAT'S
IMPORTANT.**

TRIDENT TEXOFAB LIMITED

NOT LOSING SIGHT OF WHAT'S IMPORTANT.

It is easy to lose sight of what's really important sometimes.
It is easy to lose focus from your long-term goals.
It is easy to choose today over tomorrow.
It is easy to forgo well-thought-out plans when faced with adversities.
But excellence is achieved by not losing sight of what's important.

Last year, at Trident Texofab, we faced a difficult choice between continuing our strategic move toward expanding manufacturing operations under our Shifting Gears strategy or immediate comfort by keeping things status-quo. We chose to pursue our long-term vision of transforming into an integrated textile manufacturing Company. We decided to transform to build capabilities for the future.

Our dedicated efforts have helped us set the right foot on our journey to transform. In the last couple of years, we have moved from heavy reliance on trading to manufacturing excellence, from stagnation to relentless dynamism. This reflects the incredible journey, ingenuity, and adaptability of moving forward without compromising our previously established beliefs and principles. This journey of transformation encompasses everything from being ever-vigilant in manufacturing the highest quality products for our customers to thinking ahead about ways to shape the Company for the future; we are investing today to see a brighter tomorrow. But even as we grow from strength to strength, delivering value to all our stakeholders will always remain our true north.



Further information can be
found online by visiting
tridenttexofab.com

“We should keep moving forward, opening new doors, and doing new things, because we're curious and curiosity is what leads down to new paths.”



WALT DISNEY

FY21 Highlights

4,992.65

(₹ IN LAKH)

Revenue from Operations, up from 9,096.41 Lakhs in FY20

292.87

(₹ IN LAKH)

Operating Profits, up from 482.59 Lakhs in FY20

1,197.67

(₹ IN LAKH)

Shareholders' Fund up from 1162.36 Lakhs in FY20

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COMPANY PROFILE

Trident Texofab at a Glance



Mission

We have decided to dig deeper into our industry and come out with our own brands in segments such as home furnishing products, garments, shirting and other fabrics. We will continue to scout for new opportunities and strive to explore retail & B2C customer segments of our present businesses.

COMPANY OVERVIEW

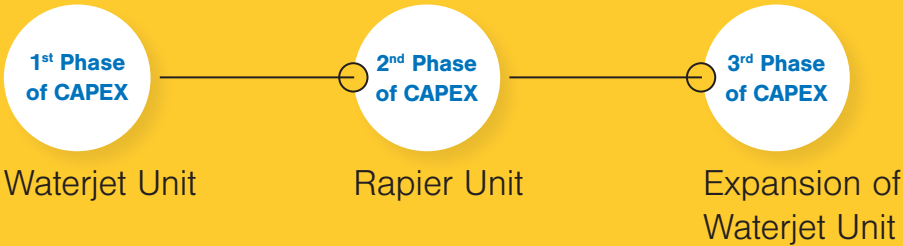
Trident Texofab Limited is a semi composite textile manufacturing and trading Company dealing in products for home furnishing, garments, suiting, shirting, technical textiles & fabrics. In FY19, the Company undertook its 'Shifting Gears' strategy and shifted from being a pure textile-trading Company to a semi-composite player, manufacturing polyester & poly-blend fabrics. At present, the Company manufactures various grades of grey fabrics & undertakes job work for weaving, digital printing & embroidery.



Vision

With our quality products and services, we at Trident Texofab, understand the need to constantly add value to our clients and try to provide maximum customer satisfaction. Our purpose is to craft a robust brand in the minds of our customers along with a stellar industry reputation.

Shifting gears from pure-trading to profitability assertive manufacturing operations



Wide product portfolio of various finished & semi-finished products



~250
(IN LAKH METERS)
Annual
Manufacturing
Capacity



1st
Generation
Promoters



~150
Team Strength



BSE Listed



Chairman's Letter

“Overcoming all obstacles, Trident Texofab has recently, in June 2021, commissioned its 3rd Phase of CAPEX towards Manufacturing operations.”

MR. HARDIK DESAI
Chairman & Managing Director



5.9%

OPERATING PROFIT MARGIN
OF FY21

Dear Stakeholders,

Dear Shareholders,

I am pleased to present you the Annual Report for FY21; my letter to all the shareholders is particularly important this year, as I write to update you about FY21 - one of the most challenging years that the Company has witnessed since its inception. The year gone by was full of challenges and obstacles induced by COVID-19 disruptions. While last year the effects of COVID-19 were limited to the last fifteen days of March 2020, FY21 has been the year we have observed the full impact of COVID-19.

Given the fact that textiles & apparel were not part of essential industries that were allowed to function during the first wave of lockdowns, we witnessed a complete standstill in operations for almost 60 days. As a result, Q1FY21

was observed as a complete washout quarter, wherein the Company recorded almost no sales. Thus, essentially FY21 has been a year of only nine months. Operations slowly started reviving July onwards and progressed as we moved towards the festival seasons; although this period had its fair share of challenges, the Company witnessed a great Q4FY21 where Revenue from Operations stood much closer to pre-COVID levels.

PERFORMANCE REVIEW

On an annual basis, the Company recorded Revenue from Operations of 4,993 lakhs in FY21 compared to 9096 lakhs in the previous year, a 45% drop Y-o-Y basis. While Revenue from Operations witnessed a decline, the Company has been able to protect its profitability with a steadfast focus on manufacturing operations. As a result, operating profit margins stood at 5.9% in FY21 compared to 5.3%, registering an increase of 57 basis points; to do so has not been an easy task, but team Trident Texofab has managed to accomplish this. Contributions from the Manufacturing business vertical stood at 44% in FY21 as compared to 25%, an all-time high, although one of the reasons for higher contributions from manufacturing remained lesser sales on the Trading side. For FY21, the Company focused on generating relatively higher sales from the Manufacturing side to minimize the impact on profitability. Profit after Taxes stood at 35 lakhs in FY21 compared to 90 lakhs in the previous year, a 61% decline on Y-o-Y basis. The decrease in profits has been primarily due to two reasons a) significant decrease in Revenue from Operations and b) an increase in depreciation and finance cost due to increased level of borrowed funds used to support the manufacturing expansions of the Company. After a certain base of operations, we believe this anomaly will start correcting itself, and the results will be visible on our bottom line as well.

“Contributions from the Manufacturing business vertical stood at 44% in FY21, an all-time high.”

4,993

(₹ IN LAKH)

Revenue from Operations in FY21

NOT LOSING SIGHT OF WHAT'S IMPORTANT.

In a year full of challenges and difficulties, it is easy to lose sight of long-term goals to recuperate from short-term difficulties. I'm glad to share that team Trident Texofab didn't lose sight of what is important. It's been three years since we first communicated our intentions to transform into an integrated manufacturing textiles Company. While early results of our Shifting Gears strategy have reaped good benefits to the Company, it was an equally difficult decision to double down on our bet in such a challenging year. Overcoming all obstacles, Trident Texofab has recently, in June 2021, commissioned its 3rd Phase of CAPEX towards Manufacturing operations. In this leg of investments, the Company expanded its Waterjet manufacturing capacity to roughly 250 lakh meters annually, up from an earlier capacity of ~78 lakh meters annually. It is pertinent to mention that this CAPEX has been commissioned on time in such a challenging year. The full benefits of this investment will be visible from Q2FY22 onwards.

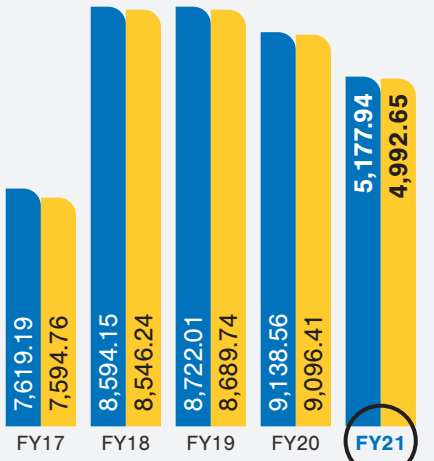
CLOSING THOUGHTS

Going ahead, the COVID-19 pandemic may have some extended impact, as it has been observed during the 2nd wave of COVID-19, the effects of which will also be visible on the Company's Q1FY22 performance. The Company will continue its focus on expanding its manufacturing footprint while remaining agile and adaptable to changing realities.

Through its engagement with the management, the board will guide the Company in pursuing its growth & expansion strategies to seek its vision. Before I conclude, I wish to thank all my Board Members, regulatory authorities, management, employees, bankers, and shareholders for guidance and support.

MR. HARDIK DESAI
Chairman & Managing Director

Numbers that Matter

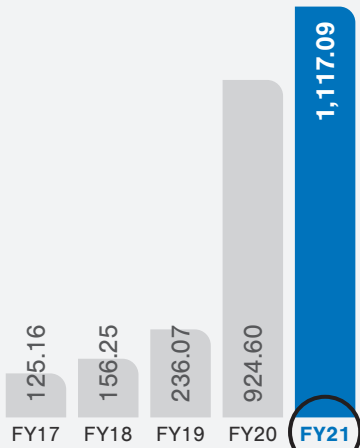


Total Income & Revenue from Operations

(₹ IN LAKH)

5,177.94

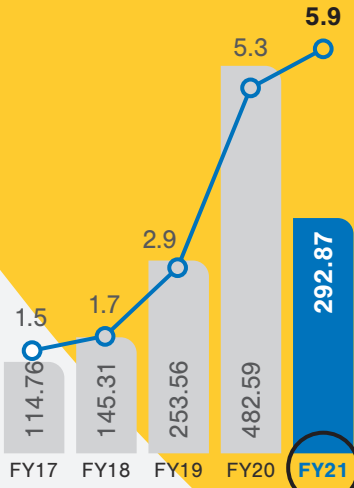
Total Income Revenue from Operations



Net Block

(₹ IN LAKH)

1,117.09

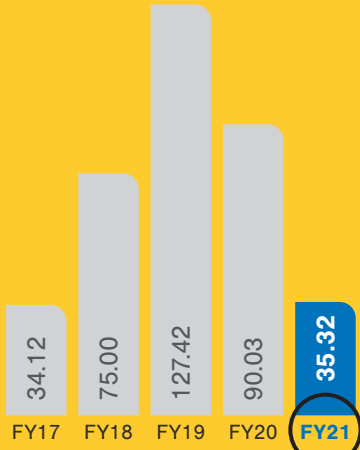


Operating Profit & Operating Profit Margin

(₹ IN LAKH & %)

292.87

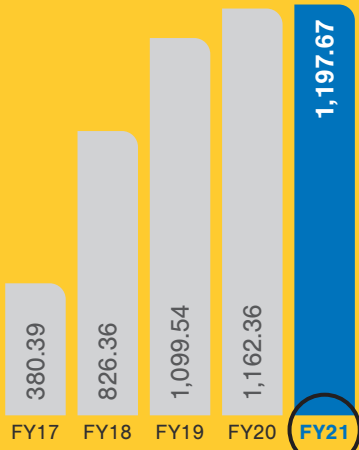
Operating Profit Operating Profit Margin



Profit After Taxes & Profit After Taxes Margin

(₹ IN LAKH & %)

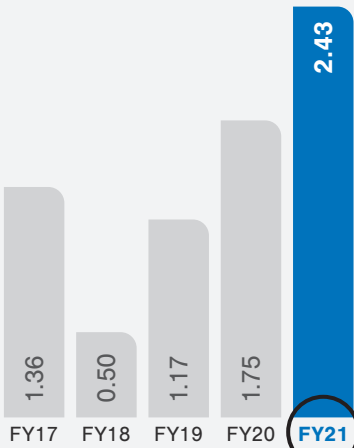
35.32



Shareholders Fund

(₹ IN LAKH & %)

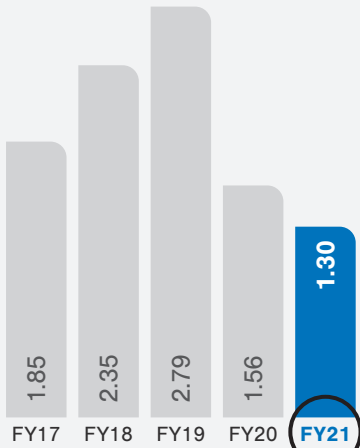
1,197.67



Total Debt to Equity

(IN TIMES)

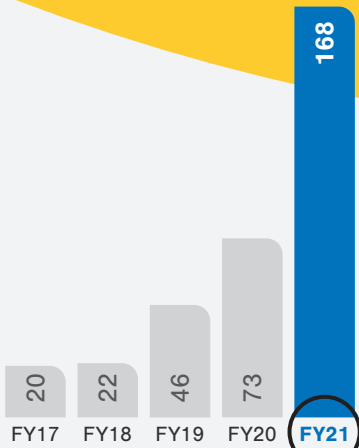
2.43



Interest Coverage Ratio

(IN TIMES)

1.30



Working Capital Days

(IN DAYS)

168

Management Discussion and Analysis

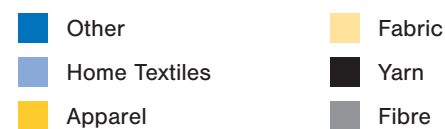
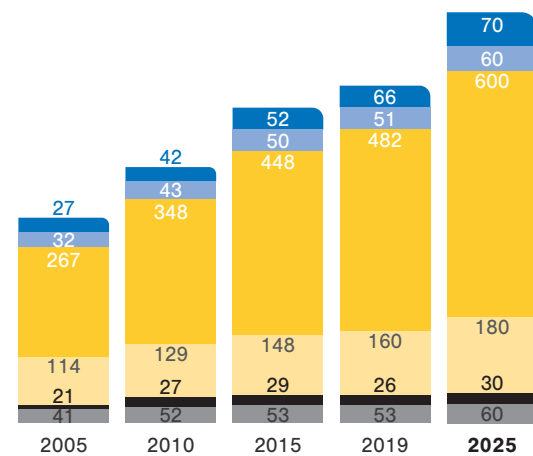


GLOBAL TEXTILE INDUSTRY

The global textile and apparel trade stood at USD 839 Bn in 2019, reporting a growth trend of 4% between 2005-19. Of the global textile and apparel trade, roughly 58% trade is contributed by Apparel while the rest includes categories Fibre, Yarn, Fabric, Home Textiles, and Others.

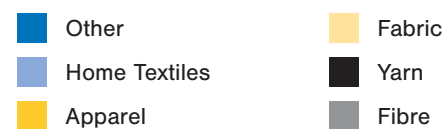
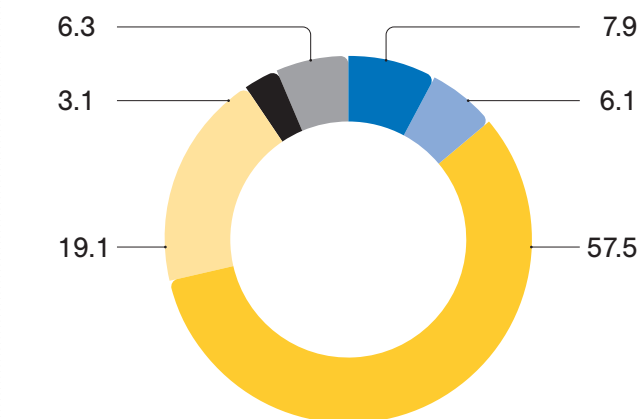
Global Textile & Apparel Trade

(USD\$ Bn)



Category Share

(IN %, 2019)

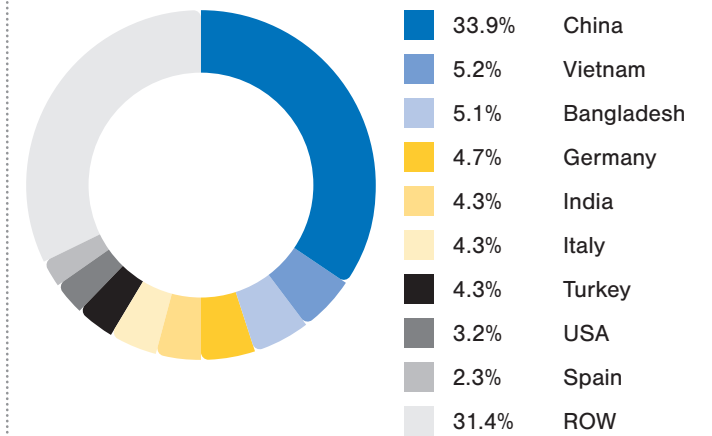


Source: Wazir Analysis, IBEF

The global textile and apparel industry is continuously evolving. Over time, textiles have witnessed multiple shifts in consumption and production patterns, including changes in geographical manufacturing hubs. This is primarily because the industry is very labour intensive. One such transformation is happening as we speak. Today, China is a dominant player in the global textile trade. China accounts for nearly 34% of exports in global textile and apparel, while other developing countries like India (4%), Vietnam (5%), and Bangladesh (5%) lag far behind. Owing to the increased labour and production costs in China, the industry is witnessing another production shift over the last few years. This creates tremendous opportunities for next-in-line manufacturing hubs like India, Vietnam, and Bangladesh. As a result, the global textile market size is projected to cross the USD 1 trillion benchmark by 2025, expanding at a CAGR of 3%. Demand is expected to maintain an increasing trend on account of various factors like population growth, rising disposable income levels, and rapid urbanization in developing countries like China, India, South East Asia, and Mexico.

Textiles & Apparels Export Share

(US\$ Bn, 2019)



INDIAN TEXTILE INDUSTRY

106

(IN USD\$ Bn)

Domestic Market Size



2nd

Largest Employer after Agriculture



12.65%

GVA of Textiles and Apparel as Share of Manufacturing GVA

78

(IN USD\$ Bn)
Domestic Apparels



4.5+ Cr

Direct employment generated



65%

Share of Cotton in the total Fiber Consumption

20

(IN USD\$ Bn)
Domestic Technical



12%

Contribution to Total Indian Exports



Largely unorganized and fragmented, with select large corporates

08

(IN USD\$ Bn)
Domestic Home Textiles



2.3%

Contribution to India's GDP

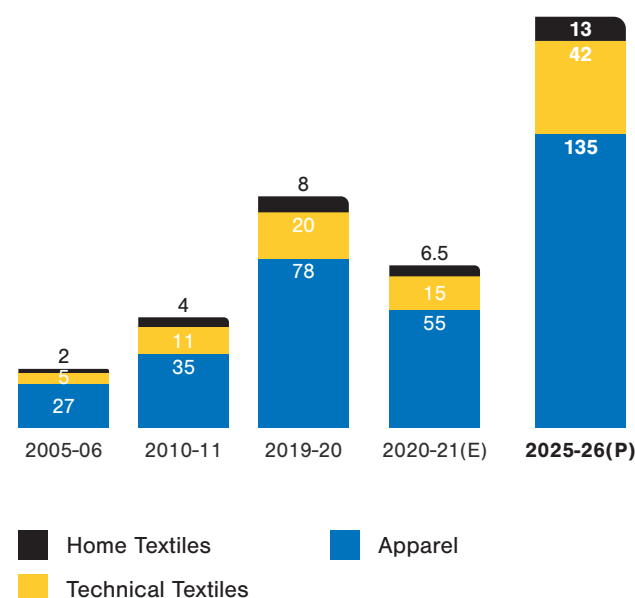
Source: Wazir Analysis, IBEF

INDUSTRY OVERVIEW

Textile is the oldest manufacturing industry in India, dating back centuries. Indian Textile Industry is one of the largest in the world, having a great raw material base and strengths across the value chain. India holds a key place in the global textile space through its proficiency in manufacturing a wide range of yarns & fabrics, including natural fibers like cotton, jute, silk, wool, and man-made fibers like polyester, nylon, viscose, and acrylic. The textiles and apparel industry contributes 2.3% to the country's GDP, 13% to industrial production, and 12% to exports. Simultaneously it also contributed to 13% of the industrial production and 12% to the country's production. Textiles and apparel contributed nearly USD 34 bn in exports in FY20; this figure has compounded at ~6% annually for the last 15 years.

India's textile market size

(USD\$ BN)



India's textile landscape is dominated by cotton due to an abundance of cotton farming in the country. India ranks first in terms of Cotton acreage and grows all four known species of cotton. Cotton accounts for nearly 2/3rd of the total fiber consumption in the country. India is the world's largest producer of cotton. Production grew from 30.0 million bales in FY16 to 35.4 million bales in FY20*. Cotton production is expected to reach 36.0 million bales, and consumption is expected to reach 114 million bales in FY21 - 13% growth over the previous year. India is second to China in producing man-made fiber and filament, accounting for a 14% market share globally. India also ranks second to China in the consumption of polyester fiber. However, the per capita consumption of fiber is an entirely different story. As of 2018, India's per capita consumption, in all the fibers, ranks 50% lesser than the global per capita consumption. This highlights a substantial unrealized potential of Indian consumption in textiles and apparels.

*Until January 2021

INDUSTRY STRUCTURE

In terms of the industry structure, the Indian textile market is largely unorganized, fragmented, and privatized. The majority of the market share is held by a large number of small and medium enterprises with a select few large-sized corporations. India also has a presence across the entire textile value chain, including - spinning, weaving, knitting, processing, and garments. India hosts 24% of the world's spindle capacity in terms of capacity, 8% of global rotor capacity, and 63% of loom capacity (including handlooms) as of FY2017-18.

IMPACT OF COVID-19

Due to the pandemic, all economic activities except for the essential goods and services came to a standstill, textile and apparel industry was no exception to this. By the end of March-2020, all manufacturing, trade and commerce activities were nearly shut for roughly 60 days. To say the least, it has devastated manufacturing operations, supply chains and has sent shocks to the global textile industry. As a result, the Indian domestic

textile and apparel market is estimated to be US\$ 75 billion in size in 2020-21. The market fell 30% from US\$ 106 billion in 2019-20. However, the market is expected to recover and grow at 10% CAGR from 2019-20 to reach US\$ 190 billion by 2025-26.

Key COVID led disruptions included:

- Manufacturing Shutdown
- Logistics Shutdown
- Cancelled Orders
- Slump in Retail Sales

RECENT TRENDS & DEVELOPMENTS

A. Textile Parks

Since 2014, 59 textile park projects have been sanctioned under SITP and PPP with 40% Government assistance of up to Rs. 40 crore (US\$ 6 million). 22 textile parks out of these have been operational as of December 2019. Under Union Budget 2021-22, Finance Minister Shrimati Nirmala Sitharaman launched a 'Mega Integrated Textile Region and Apparel (MITRA) Park' scheme to establish seven textile parks with state-of-the-art infrastructure, common utilities, and R&D lab over three years. Under Union Budget 2021-22, the Telangana government has been allocated funds for setting up the Kakatiya Mega Textile Park (KMTP) at an estimated cost of Rs. 1,552 crore (US\$ 212 million). On March 03, 2021, the Gujarat government announced two mega textile parks to enable forward and backward integration in the sector. In March 2021, the state-run Odisha Industrial Infrastructure Development Corporation (IDCO) and Indian Oil Corporation Limited (IOCL) signed an MoU to establish a plastic park in Paradip, Odisha.

B. Technical Textiles

Increased awareness of goods, higher disposable incomes, changing customer patterns, and some sector-specific growth drivers are estimated to bolster the Indian technical textiles market to US\$ 23.3 billion in 2027, up from US\$ 14 billion in 2020 in Asia-Pacific. The technical textiles market for automotive textiles is projected to increase to US\$ 3.7 billion by 2027, from US\$ 2.4 billion in 2020. Similarly, the industrial textiles market is likely to grow at an 8% CAGR from US\$ 2 billion in 2020 to US\$ 3.3 billion in 2027.

C. Incubation in apparel manufacturing

The objective here has been to promote entrepreneurs in apparel manufacturing by providing them an integrated workspace and reducing operational and financial costs for establishing and growing a new business. As of July 2019, three projects were sanctioned by the Government, one each in Madhya Pradesh, Odisha, and Haryana.

D. Net Textile Policy 2020

The Indian textile and apparel sector faces a lot of structural challenges and regulatory issues. This has allowed other smaller developing countries to catch up with India in production and exports, despite India possessing good fundamentals and inherent strengths in this sector. In December 2019, the Government of

India announced its intent to launch a ‘New Textiles Policy 2020’, which will replace the 20-year-old policy currently in force. Key areas of focus include technological upgrades, enhancement of productivity, product diversification, and financing arrangements. The new draft for this policy ensures employment of 35 million by attracting foreign investment. It also focuses on establishing a modern apparel garment manufacturing centre in every state in the Northeast.

OPPORTUNITIES AND GROWTH DRIVERS

A. Per capita spend on apparel

Per capita spending on apparel in developing countries like India is expected to increase by more than 2 times in the next 10 years (at a CAGR of 9-11%). This will make developing countries the drivers of incremental growth in the global textile consumption.

B. Increase in disposable income

Strong economic growth is expected to increase per capita income, resulting in more disposable income to spend on fashionable clothes. The increase in income would improve the general standard of living, which in turn would further propel the demand for apparel.

C. Increasing urbanization

Rising urbanization leads to an increase in demand for new designs and fashions to match new lifestyles. A large percentage of these new city dwellers are expected to be in their twenties thus possibly making first-time independent choices for various categories of clothing items including denims, shirts, and footwear.

D. Ecommerce

With the changing lifestyle and rising incomes, people are left with less spare time. E-commerce has leveraged this opportunity and is providing consumers with what they want, with just a few simple clicks, creating a seamless and faster shopping experience. The huge success of e-commerce companies led Indian textile companies to explore the online market through their own ecommerce platforms. Textiles companies are increasingly looking to build up consumer loyalty by selling their products on their websites and establishing a direct connection with their consumers.

E. Foreign Direct Investments (FDI)

The government has allowed 100% FDI in this sector. The textiles industry in India is experiencing a significant increase in collaboration between global majors & domestic companies. International apparel giants like Hugo Boss, Liz Claiborne, Diesel, and Kanz have already started operations in India.

COMPANY OVERVIEW

Incorporation & History

Trident Texofab Limited (TTFL) was incorporated in the year 2008, by Mr. Hardik Desai and Mr. Chetan Jariwala. With operations based out of the textile hub Surat, Gujarat, Trident started as a textile trading Company dealing prominently in home furnishing products such as bedsheets, curtains, upholstery, etcetera. Apart from home furnishing, TTFL was also involved in other textile categories such as scarfs, pareos, suiting, shirting, and many more.

Shift towards Manufacturing

After a decade of steady progress in trading operations and achieving a decent size of operations, the Company decided to go public via an IPO on BSE in 2017. The idea was to take its business one notch up. The Company decided to venture into manufacturing expansions in the textile industry from the money raised through its public issue and the following preferential issue. In 2018, TTFL commenced manufacturing operations via its first greenfield investments in Surat, Gujarat. By the end of FY19, the Company had in place units to manufacture grey fabrics, finished garments, and other value-added services such as embroidery, stitching, and digital printing. This has been taken forward with further investments in manufacturing operations:

Phase	Month, Year of Commissioning	Details
1 st	April, 2019	<ul style="list-style-type: none">Waterjet UnitCapacity - 8-9 Lakh Meters/Month
2 nd	February, 2021	Rapier Unit
3 rd	June, 2021	<ul style="list-style-type: none">Expansion of Waterjet UnitCumulative Capacity - 20-22 Lakh Meters/ Month

TRIDENT TEXOFAB TODAY

We are a semi-composite textile Company with interests in manufacturing and trading of home furnishing, garments, technical textiles and various polyester and poly-blend fabrics. The Company has an annual manufacturing capacity of roughly 250 lakh meters annually.

BUSINESS VERTICALS

Trading

In the last decade, the trading business vertical has single-handedly driven the growth of TTFL. Before the financial year 2018-19, almost a total of the business was contributed by trading operations.

Unlike the typical trading model of buying and selling goods, the Company is present across the entire value chain. The Company engages right from the receipt of order, identifying a manufacturer, placing an order,



supervising manufacturing, and delivering the finished product. This process helps us in providing superior customer satisfaction to our clients. In addition, TTFL has numerous manufacturing partners who are predominantly engaged in contract manufacturing for the Company. Having various manufacturing partners helps us function with the flexibility & benefits of a manufacturer without actually having to invest in the same.

Product Basket

We deal in a wide range of products, in categories like home furnishing including bed sheets, curtains, cushion covers, etcetera and clothing articles like scarfs, pareos, suiting, shirting, technical textile fabrics and many more. Our product basket includes finished and semi-finished fabrics & materials.

PERFORMANCE REVIEW

Trading operations contributed 56.4% of Sales in FY21, as compared to 74.6% in the previous year. This is partly due to COVID-19 disruptions which led to an overall decrease in Revenue from Operations in FY21, and secondly, as part of the Company’s conscious strategy to increase Revenue Contribution from Manufacturing vertical.



MANUFACTURING

In 2018, the Company started with its investments in the manufacturing operations of textile products. Initial investments were to establish our first unit engaged in value-added segments like digital printing and embroidery. To further strengthen our manufacturing operations, the Company commenced manufacturing grey fabrics at its greenfield unit in Surat by April 2019. At present, the Company has two manufacturing units, i.e., a) Waterjet Unit with an annual capacity of ~250 lakh meters (post completion of Phase 3 CAPEX), and b) Rapier Unit. The stitching unit was shortly shut and sold off by the end of 2019 for reasons including a) subdued benefits, b) competitive prices, and c) better capital appropriation in more remunerative manufacturing projects.

Manufacturing Capacity

Waterjet Unit	Digital Printing Unit	Embroidery Unit
20-22 Lakh Meters/Month	7,200 Meters/Day	37 Lakh Stitches/Day
162 Machines	6 Machines	7 Machines



PRODUCT BASKET

Our product basket can be categorized into two categories. Finished products including embroidered fabrics, digitally printed fabrics, bedsheets, technical textiles, suiting, and various polyester and poly-blend fabrics. Semi-Finished products include grey fabrics. In addition, the Company does contract manufacturing for digital printing and other value-added products in embroidery.

PERFORMANCE REVIEW

Manufacturing operations contributed 43.6% of Sales in FY21, as compared to 25.4% in the previous year. The Sales contribution from Manufacturing business vertical stood at the highest-ever in the last 3 years since the Company ventured into manufacturing business. Going forward, the Company would expect absolute Revenue from Manufacturing vertical to increase further with the recently expanded operations of Waterjet Unit in June 2021.

CHANGING BUSINESS DYNAMICS

In the last couple of years, the Company has transformed from being a pure trading enterprise to become a semi-composite textile manufacturing and trading Company. Both of these businesses have an inherent difference in business dynamics. Hence convergence of these businesses, with an expanding manufacturing base, means a lot of changes in the functioning of the Company and its financials, some of them are mentioned below.

Netblock

In the last three financial years, the Company has built an additional netblock of 961 Lakhs, taking the Netblock as of 31st March 2021 to 1117 Lakhs. In addition, the Company has capital work-in-progress amounting to 889 Lakhs as of 31st March 2021, pertaining to the expansion of the Waterjet Unit, which was commissioned in June 2021. This increase has been on account of investments in plant and machinery for the new manufacturing units. With an increase in Netblock, the Company also witnessed additional depreciation expenses in the year under review. As a result, depreciation expense has grown from 30 Lakhs in FY19 to 101 Lakhs in FY20 and 102 Lakhs in FY21.

Margin Profile

Manufacturing operations have inherent superior profitability margins as compared to trading operations. With the commencement of manufacturing operations in FY19 and the increase in revenue contributions from manufacturing in FY20 and FY21, we have witnessed a rise in the gross margins from 8.5% in FY19 to 13.4% in FY20 and 15.8% in FY21. Subsequently, operating margins (EBITDA excluding other income/expense) expanded from 2.9% in FY19 to 5.3% in FY20 and 5.9%

in FY21. With a growing contribution from manufacturing operations, the blended profitability margins of the Company are expected to increase. However, the rise in gross and operation profitability has not translated proportionately into net profits due to an increase in upfront expenses associated with manufacturing and an increase in depreciation & finance cost.

Working Capital Cycle

Before the expansion in manufacturing operations, in the last three financial years, the Company has historically maintained a net working-capital cycle of under 30 days. This was possible due to the rigorous management of inventory, debtors, and creditors. However, manufacturing operations inherently have a longer working capital cycle as compared to trading operations. In the coming years, we expect to see a stretch in the working capital cycle due to increased inventory levels arising out of an increase in manufacturing operations. The increase in the working capital cycle from 73 days in FY20 to 168 days in FY21 is a one-off and primarily due to COVID-19 led disruption, which led to a significant fall in Revenue from Operations in FY21. As we advance, the Company expects the working capital cycle to revert to mean.

Human Resource

We have increased our team size multifold in the last three financial years. The majority of addition has been on the manufacturing front. As a result, we have a total team strength of about 150 people at the end of FY21.

Capital Structure

In the last three financial years, the Company has witnessed a massive increase in total capital employed (debt and equity) from 1,243 Lakhs in FY18 to 3,199 Lakhs in FY20 and 4,112 Lakhs in FY21. Majority of the additional capital has been deployed in fixed assets, on account of the recent greenfield investments, followed by an increase in working capital. The Company has used a prudent mix of owners and borrowed funds, however, post the recent Phase 3 CAPEX debt levels have increased. The total borrowings have increased from 1,285 lakhs in FY19 to 2,037 lakhs in FY20 and 2,915 lakhs in FY21. To balance the increase in borrowed funds, the Company had raised 203 lakhs in FY19 via a preferential issue. This year witnessed a rise in the total debt to equity ratio from 1.75 times in FY20 to 2.43 times in FY21.

Financial Ratios

	FY21	FY20	% Change	Remarks
Total Debt to Equity	2.43	1.75	39%	Increase in borrowings to support investments of Phase 3 CAPEX
Current Ratio	1.32	1.38	(4%)	NA
Interest Coverage	1.30	1.56	(17%)	NA
Debtors Turnover	1.76	3.26	(46%)	Primarily due to a drop in Revenue from Operations because of COVID-19 led disruptions
Inventory Turnover	5.51	12.96	(57%)	Primarily due to drop Revenue from Operations because of COVID-19 led disruptions
Operating Profits %	5.9%	5.3%	11%	NA
Profit after Tax %	4.5%	3.8%	16%	NA
Return on Networth %	2.9%	7.6%	(61%)	Primarily due to decrease in PAT

OUTLOOK

The Company remains steadfast on its strategy to grow manufacturing operations while keeping trading operations status-quo. Trident Texofab has recently (in June 2021) commissioned its Phase 3 CAPEX to expand manufacturing operations at its Waterjet Unit. Overlooking the immediate effects of COVID-19 led disruptions, the long-term prospects of the Company remain robust. Growing manufacturing operations bode well for Revenue growth as well as expansion of profitability margins. Over the next three years, the Company will aim to achieve a 60% revenue contribution from manufacturing operations, which should drastically improve its net profitability.

INTERNAL CONTROL AND ADEQUACY

The Company has in place an adequate system of internal control commensurate with the size and nature of its business. These have been designed to provide reasonable assurance that all assets are safeguarded and protected against loss from unauthorized use or disposition and that all transactions are authorized, recorded and reported correctly and the business operations are conducted as per the prescribed policies and procedures of the Company. The Audit Committee and the management have reviewed the adequacy of the internal control systems and suitable steps are taken to improve the same.

HUMAN RESOURCE DEVELOPMENT AND INDUSTRIAL RELATIONS

Our Company firmly believes human resources are key enablers for the Company’s growth and therefore an important asset. Hence, the Company’s success is closely aligned with the goals of theCompany’s human resources. Taking this into account, our Company continued to invest in developing its human capital and establishing its brand on the market to attract and retain the best talent. During the period under review, employee relations continued to be healthy, cordial, and harmonious at all levels, and the Company is committed to maintaining good relations with the employees.

RISKS & RISK MITIGATION

Human Resource Risks	Human resource management is one of the core functions of any organization. The Company needs to maintain cordial relationships with its team members. It is crucial to recruit, retain, and train employees. The Company constantly endeavours to maintain a satisfied, competent, and well-trained team.
Statutory Risks	The Company conducts business across India. TTFL makes sure that its business operates within the ambit of law and abides by necessary legal compliances. By combining in-house expertise and knowledge of statutory compliance and professional legal services, the Company ensures that there are no errors in its regulatory and compliance functions.
Commodity Price Risks	Raw materials happen to be a crucial part of the Company’s expenses and a significant portfolio of the Company’s revenue from operations. Raw materials include yarn & related supplies; hence, any adverse changes in commodity prices may impact the Company’s profitability. The Company continually monitors such risks to mitigate such risks to the extent possible.
Economic Risks	A part of our business is dependent on the prevailing economic conditions. Factors that may adversely affect the economic growth of India and the world over could affect the demand for our products, including a slowdown in the consumption of Textiles and Apparels. These factors include but are not limited to - inflation, changes in tax structures, etcetera. A part of our business is dependent on the prevailing economic conditions. Factors that may adversely affect the economic growth of India and the world over could affect the demand for our products, including a slowdown in the consumption of Paints & Coatings. These factors include but are not limited to - inflation, changes in tax
Operational Risks	To ensure high operational efficiency, the internal control team effectively handles the internal processes regarding technology absorption and capital efficiencies.

CAUTIONARY STATEMENTS

Statements in the Management Discussion and Analysis and other parts of the report describing the Company’s objective, projections, estimates, and expectations may be forward-looking statements. Actual results may differ materially from those expressed or implied due to various risks and uncertainties. Important factors that could make a difference to the Company’s operations include economic and political conditions in India and other countries in which the Company may operate, volatility in interest rates, changes in government regulations and policies, tax laws, statutes, and other incidental factors. The Company does not undertake to update these statements.

Corporate Information

BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

Name	Designation	Date of Appointment
Mr. Hardik Jigishkumar Desai (DIN: 01358227)	Chairman & Managing Director	05.09.2008
Mr. Chetan Chandrakant Jariwala (DIN: 02780455)	Whole Time Director (Executive Director)	20.02.2013
Mrs. Natasha Karbhari (DIN: 07846132)	Non-Executive Independent Director	09.06.2017
Mrs. Ankita Jignesh Saraiya (DIN: 08057276)	Non-Executive Independent Director	01.02.2018
Mr. Deepak Prakashchandra Gandhi (DIN: 08256996)	Executive Director	15.10.2018
Mrs. Vrusti Bhumik Patel (DIN: 08772077)	Non-Executive Independent Director	25.06.2020
Mr. Manish Dhirajlal Halwawala (DIN: 08958684)	Executive Director	11.11.2020
Mrs. Ami Ashwinbhai Desai (DIN: 09147974)	Non-Executive Independent Director	15.04.2021
Mr. Jenish B. Jariwala (PAN: AJYPJ1986B)	Chief Financial Officer	01.06.2017
Mrs. Sanju Patel (PAN: BGYP5572M)	Company Secretary and Compliance Officer	01.04.2021

COMMITTEES:

1. Audit Committee:

Mrs. Vrusti Bhumik Patel - Chairperson
Mrs. Ankita Jignesh Saraiya - Member
Mrs. Ami Ashwinbhai Desai - Member

2. Nomination And Remuneration Committee:

Mrs. Vrusti Bhumik Patel - Chairperson
Mrs. Ankita Jignesh Saraiya - Member
Mrs. Ami Ashwinbhai Desai - Member

3. Stakeholders Relationship Committee:

Mrs. Vrusti Bhumik Patel - Chairperson
Mrs. Ankita Jignesh Saraiya - Member
Mrs. Ami Ashwinbhai Desai - Member

4. Management Committee:

Mr. Hardik J. Desai - Chairman
Mr. Chetan C. Jariwala - Member
Mr. Deepak P. Gandhi - Member

STATUTORY AUDITORS:

M/s. Shah Kailash & Associates
Chartered Accountants
505, 21st Century Business Center,
Nr. World Trade Center,
Ring Road, Surat-395 003
Email: skt@sktilp.com

SECRETARIAL AUDITOR:

Mr. Praful N. Vekariya
Practicing Company Secretary
8-A, Hira Panna Complex,
Opp. Rajhans Point (Gitanjali),
Varachha Road, Surat-395006
Email: pnvekariya12@gmail.com

INTERNAL AUDITOR:

M/s. Purushottam Khandelwal & Co.,
Chartered Accountants
216, Madhupura Vyapar Bhawan, Nr. Gunj Bazar,

Madhupura,
Ahmedabad -380004
Branch Office: L-3, DhanLaxmiComplex,
Near Mafatlal Showroom, Madhumati,
Navsari-396445, Gujarat

BANKER TO THE COMPANY:

BANK OF BARODA
Man Darwaja Branch,
Near Kinneri Cinema, Ring Road,
Surat, Gujarat 395002

REGISTERED OFFICE:

2004, 2nd Floor, North Extension,
Falsawadi, Begumpura, Nodh-4/1650,
Sahara Darwaja, Surat-395003, Gujarat
Tel.: +91-261-2451274/2451284
Email: info@tridenttexofab.com
Website: www.tridenttexofab.com

FACTORY:

B-15/11, Hojiwala Industrial Estate,
Sachin Palsana Road,
Surat-394230, Gujarat

DIGITAL DIVISION:

Plot No. 21/1/2, Chorawala Compound, Road No.12,
Nr. Komal Circle, Bamroli Road, Surat-394210

EMBROIDERY DIVISION:

Plot No. 99-100,Vishal Industrial Society, Nr. Navjivan
Circle, Surat-395007, Gujarat

REGISTRAR & SHARE TRANSFER AGENT:

KFin Technologies Private Limited
Selenium Tower B, Plot Nos. 31 & 32 | Financial District
Nanakramguda |Serilingampally Mandal | Hyderabad –
500032
Phone: 040 6716 1606/1776
Email: raghu.veedha@kfintech.com
Website: www.kfintech.com

CORPORATE IDENTITY NUMBER:

L17120GJ2008PLC054976