



RELIANCE CHEMOTEX
INDUSTRIES LIMITED

THE POWER OF BEYOND

ANNUAL REPORT 2023-24



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Caution regarding forward-looking statements

This document contains statements about expected future events and financial and operating results of Reliance Chemotex Industries Limited, which are forward-looking. By their nature, forward-looking statements require the Company to make assumptions and are subject to inherent risks and uncertainties. There is a significant risk that the assumptions, predictions and other forward-looking statements will not prove to be accurate. Readers are cautioned not to place undue reliance on forward-looking statements as a number of factors could cause assumptions, actual future results and events to differ materially from those expressed in the forward-looking statements. Accordingly, this document is subject to the disclaimer and qualified in its entirety by the assumptions, qualifications and risk factors referred to in the management's discussion and analysis of the Reliance Chemotex Industries Limited Annual Report 2023-24.

THE POWER OF BEYOND

At Reliance Chemotex, we believe that success is derived from the capacity to extend beyond.

This is not a strategy; this is a life philosophy.

The Company is committed to living this commitment every single moment.

To extend beyond the commodity to the premium.

To extend beyond the needs of the day to address the requirements of tomorrow.

To extend beyond what is considered impossible to what we believe can be achieved.

To extend beyond realities to possibilities.

The result is that the power of this word – ‘beyond’ – encapsulates our commitment to responsibility, profitability and sustainability.

Reliance Chemotex Industries Limited is a focused manufacturer of specialised yarn products.

The Company provides these products to demanding buyers the world over.

The Company has earned respect on account of a sustained development of niche yarn varieties that address specialised needs.

By the virtue of its longstanding presence in relatively under-crowded product spaces, the Company generates realisations higher than the commodity segment average.

The Company has embarked on a programme to graduate to the next level through a multi-year expansion programme.

These realities will empower the Company to enhance long-term stakeholder value.

Our vision and mission

At RCIL, all our actions are governed by our core ideals of continuous improvement, dedication to quality and customer-centricity. We conceive, develop and manufacture value-added synthetic ring-spun yarns to serve the most discerning customers around the world.

Our background

Mr. Shanker Lal Shroff founded Reliance Chemotex Industries Limited in 1977. The Company commenced as a small spinning mill that addressed the needs of apparel fabric manufacturers. The Company's multi-decade growth has been the outcome of innovative product development, customer focus, select recruitment and an ethical value system.

Our business

RCIL is respected for producing synthetic yarn in raw white, fibre-dyed, and dope-dyed varieties. The Company operates a zero-discharge fibre-dyeing facility and a cutting-edge production facility in Udaipur, Rajasthan.

The Company has been exporting yarn since 1987 to a dedicated global clientele. The Company addresses the growing needs of customers engaged in the manufacture of carpets, upholstery, awnings, artificial leather and suits; it addresses the needs of customers in the automotive, aerospace, medical and industrial sectors, amongst others.



Our geographical footprint

The Company's manufacturing facility and registered office are situated in Udaipur (Rajasthan) India. The Company's branch offices are located in Kolkata and New Delhi. The corporate office is located in Mumbai, India's financial capital.

Our talent

The Company comprised 2211 employees as of March 31, 2024. Around 75 percent of the Company's employees had been within it for three years or more as of March 31, 2024. The average employee age was 34 at the close of the last financial year.

Our pedigree

The Company is respected for its portfolio focus, long-standing global reputation, diversified product range, commitment to innovation, research and development,

lean management and continuous improvement. The result is that the Company's yarns have emerged as products of choice across demanding fabric cum apparel applications.

Our product

Synthetic yarn (raw white and dyed): Reliance Chemotex's synthetic yarns, available in raw white and dyed forms, are used across sectors. Customers use these yarns in automobiles, garments, socks and medical textiles, as well as in industrial applications such as belting and braiding. Additionally, they are ideal for home textiles like bedsheets, towels, carpets, and upholstery, delivering exceptional versatility, durability and colour vibrancy.

Technical yarns: RCIL is a market leader in the area of technical textiles. The Company enjoys enduring relationships with like-minded innovators who help engineer a versatile range of technical yarns. These yarns are used in protection gear in hazardous environments, enhancing home comfort and supporting healthcare advancements.

The big numbers of our existence, 2023-24





Our geographical footprint

The list of the countries where our products are sold

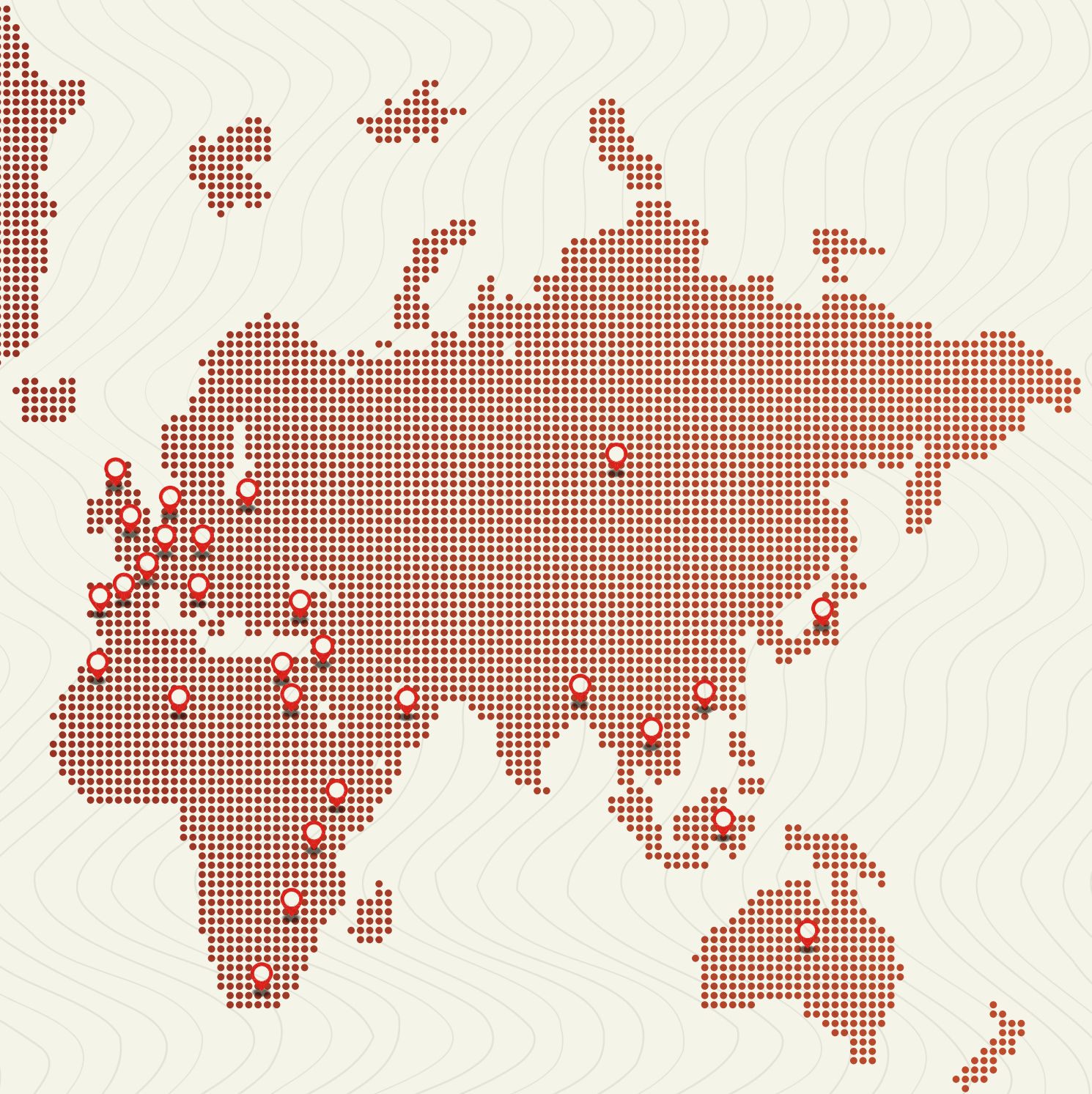
USA, UK, Spain, Germany, Canada, Belgium, Turkey, Egypt, Italy, Tanzania, Algeria, Poland, Morocco, Japan, Australia, Brazil, Mexico, Colombia, Portugal, England, Scotland, France, Netherlands, Guatemala, South Africa, Kenya, Zimbabwe, Bangladesh, Hong Kong, Thailand, Indonesia, Israel, UAE and Russia

37+

Countries, where our products are exported

53

percent of the Company's revenue from exports in 2023-24.





PART 1

HOW WE ARE DIFFERENT



WHAT MAKES US DIFFERENT

MOST TEXTILE COMPANIES



FROM MOST TEXTILE COMPANIES

THE RELIANCE CHEMOTEX BUSINESS





PART 2

HOW OUR STRATEGY HAS WORKED





STRATEGIC DIRECTION

THE POWER OF BEYOND

At Reliance Chemotex, we had a choice when we went into business.

We could have addressed a large and cyclical business in a conventional manner.

We selected to respond with the contrarian and the unconventional instead.

In doing so, we did not just address what was within our reach and hence, achievable.

We extended to address what was not perceived to be easily doable, deepening our commitment to outperformance.

At Reliance Chemotex, we have a term for this contrarian approach.

Power of Beyond.

THE POWER OF BEYOND

IS OUR CONSISTENT RESPONSE TO THE MODERN WORLD



It would have been reasonable to match the growth of the overall textile sector

We are invoking the Power of Beyond to grow faster than the sectorial average

It would have been convenient to address the predictable product mix of the day

We are leveraging the Power of Beyond to address the emerging portfolio of tomorrow

It would have been usual to seek prevailing average realisations

We are exercising the Power of Beyond to generate realisations higher than the prevailing average

AT RELIANCE CHEMOTEX,
**THE POWER OF
BEYOND**
REPRESENTS THE
CORE SPIRIT OF
OUR ENTERPRISE

‘Can we outperform the sector, economic growth – and our retrospective average?’

‘Can we reverse the prevailing industry reality by staying liquid and cash-comfortable?’

‘Can we extend beyond a predictable commitment to manufacturing as much as possible to building a culture of quality excellence instead?’

‘Can we graduate beyond surviving for the next quarter or year and build for multi-decade endurance instead?’

‘Can we graduate one-off customer engagements from transactions to long-term relationships?’

‘Can we be among the cleanest companies in our business?’

How we are scaling this profitable platform



We seek to deepen our presence as a niche global and dyed synthetic yarns player



We have created a six-year roadmap of where we wish to go



We have outlined a four-year capacity expansion programme



We have outlined a desired margin profile based on a proposed product mix



We intend to deepen our holistic sustainability by addressing all stakeholder needs



We intend to engage in a capacity expansion without risking our Balance Sheet

PART 3

PERSPECTIVES OF OUR MANAGEMENT





STRATEGIC DIRECTION

Our business model and calibrated approach have been designed to enhance stakeholder value with sustainably consistent outcomes

The big message

The big message that we wish to communicate to our stakeholders is that the performance of the Company during the year under review represented a validation of its business model, de-risking and direction.

The performance of a company needs to be appraised in the context of the health of the economy and its sector. The relative context that we seek to provide is that the year under review was marked by a slower global economy when compared with the previous year and one of the sharpest performance declines in the global textiles sector.

This decline was the result of a progressive de-stocking of inventory. Besides, China returned to the global market as an aggressive seller seeking to recover market share that had been yielded when it went into a pandemic-induced lockdown. By the close of the year under review, the sectorial sentiment was guarded.

Power of Beyond

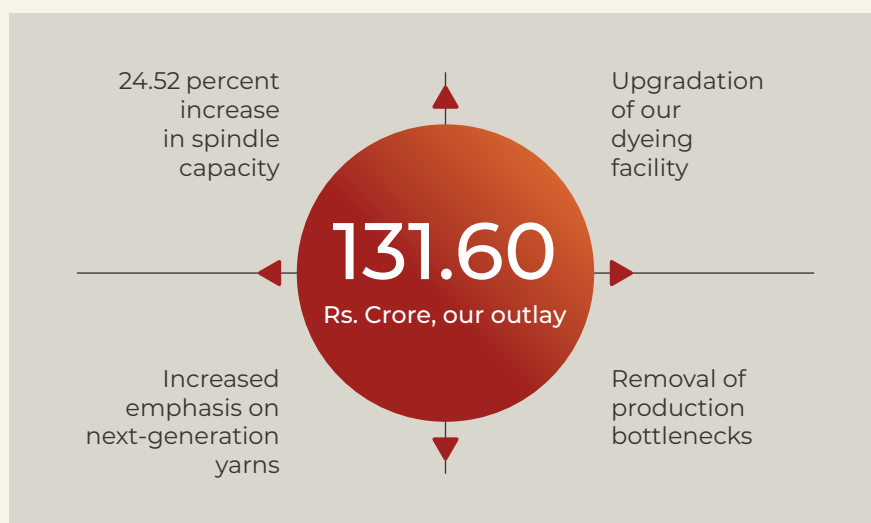
I am pleased to communicate that your Company remained profitable in every single quarter of the year under review. Besides, the Company's EBITDA margin ranged from a high of

11.06 percent to a low of 8.59 percent, indicating operational stability. More importantly, the Company utilized the extent of the slowdown to make its largest investment of Rs. 131.60 Crore, directed to enhance manufacturing capacity; the expansion was commissioned towards the close of the year under review and should translate into superior financials from the current year onwards.

This relative outperformance was the result of a consistent conviction in the Power of Beyond. This statement is more than just a line that we quote at our Company; it is a philosophy that we strive to embody. Over

the years, Power of Beyond has manifested in several strategic imperatives: a commitment to create a sustainable business in a cyclical sector, extend beyond commodity markets, focus on value-addition, address market pockets with relatively inelastic demand and address quality-respecting customers willing to pay better for superior quality.

At our Company, the statement of Power of Beyond has also helped widen our focus from a relatively limited address of value for the benefit of one or two stakeholders to the interests of all stakeholders. The result is that there is a priority to extend beyond a conventional focus only on shareholder value



and serve the broad-based interests of all stakeholders instead (customers, vendors, capital providers, government, environment and society). We believe that the comprehensive address of value for these stakeholders will empower us to consistently enhance value for each stakeholder, empowering us with a license to deepen our presence in the business.

Confidence

Over the last couple of years, we have often been asked the reason for our significant capacity expansion. Much of the curiosity has been on how we would address this expansion in the face of the ongoing sectorial weakness. This decision to expand capacity was derived from a deep-seated confidence in our existing business model and strategic direction.

One, over the years the Company has strategically positioned itself as a non-commodity textile player. This distinctive positioning has resulted relatively insulating the Company from the broad sectorial trend. The performance of the Company, has, on the other hand, been influenced by the performance of the premium segment. By positioning ourselves as a differentiated textiles company, we have progressively decoupled from the broad sector, which has helped us outperform across sectorial cycles.

Two, our past experience has reinforced the conviction that an expansion during a downtrend has generated timely and superior returns. This was validated during the global economic meltdown of 2008; the Company expanded when most companies preferred a status quo. The expansion came on stream closer to sectorial recovery, empowering the Company to be at the right place at the right time.

Three, in our differentiated business model, we expand on the basis of our downstream customers providing us with an assurance of increased yarn requirements of their existing business as well as on their estimation of increased yarn requirements from new business opportunities. In this relationship-driven business, the decision to enhance our manufacturing capacity was based on the forward-looking decisions of a range of our buyers, amongst other factors. The outcome is that any expansion that we undertake will be largely pre-sold, moderating our market risk. The expansion helps reinforce our enduring customer relationships and enhance revenues. The result is that the expansion does not just help grow our business but also deepen our enduring competitive advantage.

Four, the Company selected to expand without disturbing its capital structure, mobilizing concessional long-term debt and government incentives. This has helped expand our manufacturing capacity without stretching the Balance Sheet. This was particularly evident during the last financial year when the Company reported an EBIDTA of Rs. 35.32 Crore with a corresponding margin of 9.51 percent even as it was engaged in the largest expansion in its existence while addressing a weak textile sector.

Five, the Company accounts for a small percentage of global supplies within its niche market. As increasing global prosperity translates into enhanced personal spending, the Company will be attractively placed to build global market share within its addressable space.

These realities indicate that the expansion was not just advisable but necessary; it validates that the expansion was timely and

provided the Company with a platform to scale its business and enter the next orbit.

Vision

At Reliance Chemotex, the expansion programme that was concluded in the last quarter of the last financial year represents a milestone in our growth journey.

The Company intends to grow its spindlage attractively across the next few years, creating a robust platform for sustainable growth.

The Company's commitment to controlled and calibrated growth is expected to translate into a relatively protected Balance Sheet during this growth phase, generating a sizable part of the expansion resources from within and creating a progressively larger virtuous cycle.

We believe that this approach will enhance value for all our stakeholders in a sustainable manner across the foreseeable future.

Sanjiv Shroff
Managing Director



OPERATIONAL REVIEW

A larger presence among global supply chains will empower our business to grow faster during the current year.

The management reviews the performance of the Company during the last financial year

Q: How would the management review the Company's performance during the last financial year?

A: The management would term the performance of the Company in 2023-24 as a holding operation, marked by relatively flat revenues and profits but at the cusp of reporting sharper growth from the current year onwards. We believe that the last financial year was one when the Company consolidated its operations, invested in them and these investments are likely to translate into a superior performance from the current year onwards.

Q: What is the principal reason for this optimism?

A: There are a number of reasons why the Company's optimism that the performance flatness of the last financial year should turn into an attractive improvement during the current year.

One, a number of the Company's prominent customers indicated a larger offtake from the current year onwards.

Two, the Company's products continued to deliver positive outcomes on the weaving & knitting machines of downstream customers.

Three, the Company's price-value proposition continued to be protected during the last financial year despite an economic slowdown in some of the countries addressed by the Company.

Four, the Company utilized the downturn in the global markets to focus on timely capacity commissioning (commercialized in March 2024).

Five, the Company shifted its focus during the year under review. It enhanced its presence in the Indian market, where it prospected new niches that had for long been unaddressed on account of the Company's manufacturing capacity being directed towards the international market.

Q: The Company expanded its dyed synthetic yarn capacity by ~25 percent in 2023-24. Will the Company be able to market this incremental production?

A: The Company's optimism has been derived from market trends witnessed in the last few years. The premium end of the market is growing appreciably; there is a general preference for value-added product variants. Customers in this segment are

willing to pay better for superior functional attributes and brand value. This makes it imperative for vendors to deliver products and raw materials of a high quality benchmark. In turn, this makes it imperative for these product suppliers to access their resources from specialised manufacturers like us. The Company's expansion programme was incentivized by a growing demand for the Company's products from existing customers. The Company, by the virtue of being completely aligned with the customer's growing consumption appetite, will be largely derisked from the sales side, strengthening revenue visibility.

Q: Why did you use the word 'specialised'?

A: There is a growing recognition that bespoke products cannot be manufactured by commodity-driven companies. These products warrant focused specialists who have been working within a niche for an extended period of time. The specialization empowers these companies not just to manufacture in line with a quality standard by using their deep knowledge capital; they also deliver small volumes that larger players would find it difficult to service; they also deliver frequently enough for buyers

to nurse a lower finished goods inventory. Such manufacturers are a handful in the mature textile industry in India; Reliance Chemotex is one of them.

Q: How have these competencies manifested at Reliance Chemotex?

A: We provide a one-stop 'supermarket' of niche and specialized yarns. The result is that a customer with a basket of requirements will find it easy to come to us, place requirements and buy from a single source. Over the years, we have evolved our position from just a vendor to a dependable multi-yarn solution provider. The result is that we understand the customer's needs, work diligently to customize just what the customer would need and possess a scale-up capability that keeps servicing the ongoing needs of these customers. This explains why engaging with us has been described by a number of our customers as a 'peace of mind.'

Q: A number of shareholders would like to ask if the Company would have considered it prudent to wait for the market to recover before commissioning its expansion?

A: There are a number of ways to answer this question. The expansion had been conceived a couple of years earlier

when the slowdown was not evident. Even though the cost of capital spending appears high, nearly 65 percent of the investment was sourced from concessional debt subsidized by a government schemes, which has only enhanced our patience as far as returns are concerned. The operating dynamics of the business continued to be protected during the sectorial downturn. We are bringing to this reality the prospect of increased output (~25 percent higher than the previously installed capacity), which should translate into substantially higher revenue growth in the current financial year and profitable growth.

Q: In what other way did the Company strengthen its business model during the last financial year?

A: The Company recognised that in a market where most variables were outside the Company's direct control, there would be a premium on cost management. In view of this, the Company focused on moderation in energy costs. During the year under review, the Company invested 1.51 MW in renewable energy (taking its consolidated renewable energy capacity to 5 MW), which should help the Company save around Rs. 3.6 Crore and generate a payback in three years by addressing 12 percent of the Company's energy appetite. We believe that this investment will deepen our competitiveness.

Q: What provides you with optimism about the Company's prospects?

A: The world is premiumising faster than we have earlier seen. Increased disposable incomes are translating into the acquisition of products of conspicuous consumption. A number of these products require sophisticated and specialized dyed synthetic yarns, widening our market. Besides, India is emerging as a larger buyer of premium yarns; we see the proportion of revenues derived from within India increase from 43.80 percent in the last financial year to 50 percent across the foreseeable future. We also feel that a larger presence among global supply chains will empower our business to grow faster during the current year.

How we transformed to strengthen our business in the last few years

Before: The Company worked with a low proportion of regenerated fibres

After: The Company enhanced the use of regenerated fibres within its resource mix

Before: The Company did not have any renewable energy capacity until 2019

After: The Company's 5MW renewable energy capacity by 2024 services 12 percent of its energy needs

Before: Focus on sophisticated dyed synthetic yarns

After: Extended to the manufacture of next-generation dyed and raw-white synthetic yarns with inherently functional properties

Before: Predominantly export-driven company

After: Raising the proportion of revenues derived from within India

Before: Low presence among global supply chains

After: Larger presence among global supply chains

Before: Respect for environment management systems

After: Deeper commitment with an enhanced dye unit and effluent treatment plant.

STRATEGIC INSIGHT

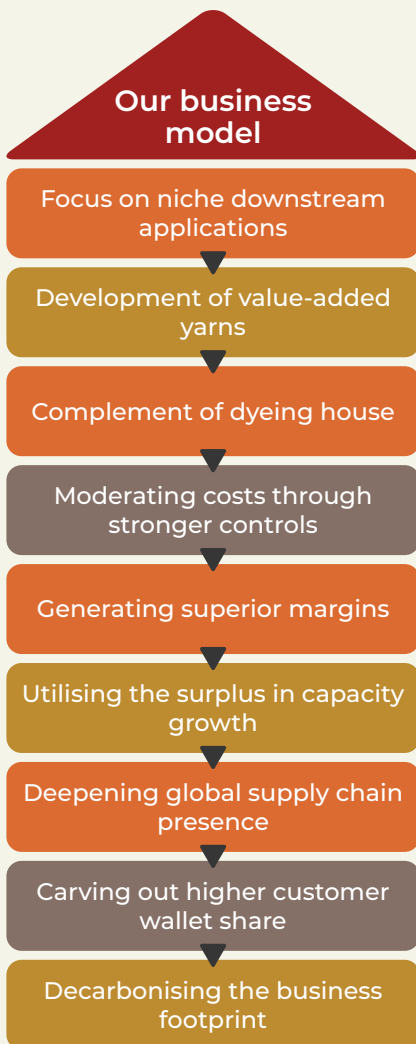
How we have selected to grow our business in a differentiated way

Overview

India's textile sector is challenging, marked by cash intensity and high mortality during industry downtrends.

The variables of the business – debt costs, land acquisition, capital intensity, equipment obsolescence, project funding, operations management and labour mobilization – warrant discipline.

At Reliance Chemotex, our strategic discipline comprises the following elements.



Vision

The Company is driven by the prospect of controlled growth, marked by a progressive investment in spindles and related infrastructure without compromising Balance Sheet integrity. The result is that the Company has – and will – focus on business sustainability by balancing the role of all variables. As a directional marker of the Company's strategic intent, it intends to invest extensively in additional spindleage and drive sustainable growth.

Brand

The Company's respect across its markets – global and Indian - has been derived from a commitment to collaborate with customers in the area of customized yarn development, manufacture as per demanding specifications, delivering relatively small volumes, replenishing frequently and transforming a manufacturing focus to a manufacturing cum service mindset. The Company has emerged as a preferred service provider; this positioning has translated into relatively low competition among companies of its size.

Strategic intent

The Company is committed to broad-base its business with the objective to moderate any excessive dependence and ensure that any decline in one or few elements may not impair the Company's financials. The Company expanded its operations across two mills, each with multiple sub-units, to improve product flexibility. It diversified its fibre offerings to enhance product versatility and introduce a range of synthetic dyed yarn products. The Company increased its market reach by catering to a broader spectrum of industries,

serving various customers within each sector, and extending sales to multiple countries. Additionally, the Company diversified its energy sources, including renewable options, to support its operations. This extensive strategic broadbasing has empowered the Company to protect sustainability across market cycles.

Business quality

The Company focuses on good business, defined by the ability to enhance revenues from dependable customers that generate predictable cash flows around attractive profitability. Everything that the Company has done in the last decade points to a commitment to run a quality business that is completely contrary to a large conventional textile operation.

The Company will grow the business only to the extent that the Balance Sheet permits – as reflected in the order book, margins, and debt service capability. The Company has consistently focused on value-added dyed synthetic yarn, generating a realisation higher than the prevailing sectorial average.

Margins

As a policy, the Company has consistently focused on high-margin product segments that have been consistently higher than the broad textile sector average. These margins have inevitably paid forward for our capital investments from within and strengthened our credit rating to be able to mobilise low-cost debt. During the last financial year, the EBITDA margin declined 138 bps due to a weak global and Indian textile market. There was a 3 percent

increase in raw material costs during the year under review that could not be passed on to consumers. The impact would have been more severe but for the Company's volume- and value-

driven approach, and activity-based costing (resulting in the Company's yarn manufacturing costs being among the most competitive in India within its niche).

Revenue mix

The Company is a pure-play synthetic dyed yarn company. These yarns are customised around the specific needs of demanding customers across sectors. Over the years, the Company deepened its specialization through the productisation of a range of yarns – 8s to 50s with the capacity to multi-ply (going up to 12 plys).

This range makes it possible for the Company to service the varied needs of customers and emerge as a single-stop service provider. The Company seeks to increase its exposure to next-generation yarns that account for 10 percent of revenues today but could grow to 30 percent of our revenues in the next few years (on a larger revenue base). This evolution could transform the Company's brand, recall and respect.

Revenue growth

Year	FY 22	FY 23	FY 24
Revenues from yarn sales (Rs. Crore)	347.43	358.05	355.95

Revenue visibility

At the Company, we believe that satisfied customers will buy more and serve as a reference for other companies to do the same. In view of this, we work closely with customers, becoming integral to their product development programmes. The nature of the Company's relationships has been marked by a high entry barrier at one end and enduring engagements at the other. The Company has been successful in forging a number of high value and enduring relationships with marquee global customers. These relationships have not only been characterised by multi-year engagements; they have also

been marked by rising year-on-year procurement and revenues. Since these companies are in their growth phases, there is a possibility that their growth plans will comprise a larger procurement of dyed synthetic yarns from our Company. During the year under review, the Company generated 75 percent of its revenues from customers of five years or more, which provides the Company with the optimism that this trend is likely to be sustained into the current financial year. This provides the Company with attractive revenue visibility, the basis of its capacity expansion programme (concluded March 2024).

Revenue driver

The Company has selected to focus on the premium segment of demanding yarn applications for industrial downstream sectors. This segment is quality-respecting with the corresponding capacity to remunerate. We see our ability to manufacture the right quality yarns as a competitive moat that protects it from rampant competition or price erosion. Besides, this exclusive eco-system is marked by challenges related to specific resource mobilisation, technology application and customer engagement. The Company's presence in this space is marked by growing customer relationships, opportunity to enhance customer wallet share and need to increase manufacturing capacity.

The Company is expected to extend its technical textiles comprising next-generation yarns (cut-fire and acid-resistant properties) with a growing relevance and traction in a premiumising world. The Company expects to increase the role of these yarns to around 30 percent of revenues in the next few years on a larger turnover base. This extension will empower the Company to effectively leverage its resident competencies and build the business around the same equipment, infrastructure and talent capital. These yarns are expected to generate superior realisations, lifting the overall corporate margins average.

Customer mix

The Company is a niche dyed synthetic yarns company. By the virtue of manufacturing a sophisticated yarn variety, it services the demanding requirements of downstream sectors like automobiles, home furnishing and medical, among others. These customers are large

credible organisations committed to buying specialized synthetic dyed yarns around a superior price-value proposition (where prices and value are both integral to procurement decisions)

Capital expansion

The Company has enhanced manufacturing capacity every few years with the objective to service the growing needs of its customers, strengthen its economies of scale and reinforce its recall as a company that services on-time and in-full. During the last financial year, the Company embarked on its largest expansion in a decade. This investment was higher than the previous highest investment outlay by ~ 100 percent. This capital expansion resulted in a 24.52 percent increase in spindleage in addition to an increase in solar power generation capacity.

Exports

The Company has been a consistent exporter on the grounds that for its specialised synthetic dyed yarns a larger market exists outside India and is willing to pay better for the sophisticated yarns manufactured by the Company. Within these international customers, the Company has reinforced its position as a partner capable of

joint product development. The Company services the growing demand of customers across 37+ countries. Nearly 53 percent of the Company's revenue was derived from international dispatches in 2023-24. Going ahead, the proportion of exports within revenues may decline following the emergence of a sophisticated consumption class within India.

Exports

Year	FY 22	FY 23	FY 24
Total exports as a % of overall revenues	67.30	57.42	52.92

Outlook

The Company enjoys a widening relevance across the global markets on account of its integration – yarn manufacture plus dye house. At a time when a number of European

manufacturers are shutting capacities due to high labour and stringent environment management, your Company is attractively placed on account of its competitiveness, knowledge capital and dye house.

1

Reality: Timely capacity expansion by ~25 percent in March 2024

Outcome: Larger tonnage and revenues from the current year onwards

2

Reality: Lower industry-wide margins

Outcome: Evolved the product mix towards value-addition

3

Reality: Realisations under relative pressure

Outcome: Moderated raw material costs and superior manufacturing yields



Seven ways we strengthened our business in a competitive 2023-24

5

Reality: Greater pressure to decarbonise the business

Outcome: 1.51 MW investment in renewable energy (total 5 MW)

6

Reality: Need to identify and eliminate waste cum costs from within

Outcome: Graduated the IT framework to SAP (effective 2024-25)

4

Reality: Danger of lower orders and asset idling

Outcome: Stronger customer focus; maximized asset utilisation

7

Reality: Premium on enhancing talent productivity

Outcome: Ongoing performance reviews with rewards for superior productivity

How the Company intends to build shareholder value going ahead



1

Focus on niche yarns

Relatively insulated from commodity yarns

Higher realisations; better profitability

2

Integrated

Combination of innovation, spinning and dyeing

Positioned to reduce costs and enhance quality

3

Finance expansion through accruals/debt

Rs. 131 Crore invested in capacity expansion

30 percent of investment financed from accruals

4

High asset utilisation; Low post-expansion gestation

Better coverage of fixed costs

Better on-time and in-full deliveries

5

Deepening our presence in India

Addressing under-explored markets

Addressing a growing appetite for niche yarns

CORPORATE INFORMATION

Mr. S.L. Shroff, Chairman Emeritus

Board of Directors

Mr. Ram Niwas Sharma, Chairman, Independent Director

Mr. Sanjiv Shroff, Managing Director

Mr. Rahul Shroff, Executive Director

Mr. Ameya Shroff, Executive Director

Mr. Nand Gopal Khaitan, Non-Executive Director

Mr. Amit Sushilkumar Saboo, Independent Director

Mrs. Sruthy Sreerag Nath, Independent Director

Mr. Vijay Kumar Nagar, Non-Executive Director

Chief Financial Officer

Mr. Chandrasekaran Rajagopalan

Company Secretary & Compliance Officer

Mr. Utkarsh Gaur

Bankers

RIICO Ltd.

Exim Bank

State Bank of India

IDBI Bank Ltd.

ICICI Bank Ltd.

HDFC Bank Ltd.

Solicitors

Khaitan & Co., LLP, Kolkata, West Bengal

Statutory auditor

P K M B & Co., Chartered Accountants, New Delhi

Secretarial auditor

Bhandari & Associates, Company Secretaries, Mumbai, Maharashtra

Registrar & share transfer agent

Bigshare Services Pvt. Ltd., Mumbai, Maharashtra

Registered office & works

Village Kanpur, Post Box No.73,
Udaipur - 313003, Rajasthan, India

BOARD'S REPORT

Dear Members,

Your Directors are pleased to present the 46th Annual Report of Reliance Chemotex Industries Ltd. ("the Company") along with the Audited Financial Statements for the financial year ended on March 31, 2024.

FINANCIAL PERFORMANCE

The Company's Financial Summary and Highlights are summarized below:

(Rs. In Lacs)

Particulars	Financial Year 2023-24	Financial Year 2022-23
Revenue from Operations	36,718.80	36,487.78
Other Income	426.65	615.92
Total Income	37,145.45	37,103.70
Earnings Before Depreciation, Interest and Tax (EBIDTA)	3,531.90	4,039.62
Less: Depreciation	1,012.61	975.69
Less: Finance Cost	1,956.54	1,393.18
Profit Before Tax	562.75	1,670.75
Tax Expenses	241.76	428.83
Profit After Tax	320.99	1,241.92
Other Comprehensive Income	31.81	5.00
PAT after Other Comprehensive Income	352.80	1,246.92
Earnings Per Share (in Rs.) (Basic & Diluted)	4.26	16.46

OPERATIONAL PERFORMANCE

Despite the ongoing challenges encountered by the textile sector and industry at large on both the global and domestic front, your Company's performance for the year under review has been commendable. Your Company achieved a total income of Rs. 371.45 crores for FY 2024 as compared to Rs. 371.04 crores for FY 2023. Your Company reported a net profit of Rs. 3.20 crores for FY 2024 against a net profit of Rs. 12.42 crores for FY 2023.

The Company's exports for FY 2024 stood at Rs. 196.58 crores and the Company's domestic sales grew from Rs. 144.98 crores in FY 2023 to Rs. 159.38 crores in FY 2024.

DIVIDEND

The Company has a robust track record of rewarding its shareholders with a consistent dividend payout. The Board of Directors is pleased to recommend a dividend of Rs. 1.00 per share (i.e. 10% of the Face Value of the equity shares of Rs. 10/- each) for the financial year ended on March 31, 2024, subject to the approval of shareholders at the ensuing Annual General Meeting.

The total outflow towards dividend, including tax deducted at source (TDS) on Equity Shares for the year would be Rs. 75.44 Lacs.

As per the prevailing provisions of the Income Tax Act, 1961, the dividend, if declared, will be taxable in the hands of the shareholders at the applicable rates. For details, shareholders

are requested to refer to the Notice of Annual General Meeting.

CAPACITY EXPANSION

During the year under review, the Company has completed its Expansion Program under the "F", "G" and "2B" Sections by the addition of 13,440 spindles at its Plant located at Village Kanpur, Post Box No. 73, Udaipur, Rajasthan, 313003 on March 30, 2024. The expansion involved an investment of around Rs. 125 crore. The company's capacity has increased to 68,256 spindles from 54,816 spindles i.e. an increment of capacity around 25%.

CHANGES IN THE NATURE OF BUSINESS

There were no changes in the nature of business during the year under review as prescribed in Rule 8 (5) (ii) of the Companies (Accounts) Rules, 2014. Your Company continues to remain in the same business.

TRANSFER TO RESERVE

The Board of Directors has decided to retain the entire amount of profits for the financial year 2023-24 in the profit and loss account and does not propose to transfer any amount to the General Reserve of the Company.

SHARE CAPITAL

As on March 31, 2024, the authorised share capital of the Company stood at Rs. 43,75,00,000 comprising 1,35,00,000

equity shares of Rs. 10/- each and 30,25,000 preference shares of Rs. 100/- each, and the paid-up equity share capital as at March 31, 2024 is Rs. 7,54,35,630 comprising of 75,43,563 equity shares of the face value of Rs. 10/- each.

During the financial year 2023-24, the Company has neither issued any shares, nor instruments convertible into equity shares of the Company or shares with differential voting rights, nor has it granted any stock options or sweat equity.

DETAILS OF SUBSIDIARY / JOINT VENTURES / ASSOCIATE COMPANIES / AND THEIR PERFORMANCE

During the year under review, the Company has no Subsidiaries/ Associate Companies / Joint ventures.

MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY

There were no material changes and commitments affecting the financial position of the Company that have occurred between the end of the financial year on March 31, 2024 to which the financial statements relate and the date of this report.

SIGNIFICANT MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND THE COMPANY'S OPERATIONS IN THE FUTURE

There were no significant and material orders passed by the regulators, courts or tribunals which would impact the going concern status of the Company and the Company's future operations.

LOANS, GUARANTEES & INVESTMENTS BY THE COMPANY

During the year under review, the Company has not made any investments or given any loans or guarantees or provided any security in connection with a loan to any person or body corporate, as defined under Section 186 of the Companies Act, 2013.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

All Related Party Transactions that were entered into during the financial year under review, were on an arm's length basis, in the ordinary course of business and are in compliance with the applicable provisions of the Companies Act, 2013 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"). There were no materially significant related party transactions that could have potential conflict with the interest of the Company at large.

All Related Party Transactions are placed before the Audit Committee for prior approval. Prior omnibus approval of the Audit Committee is obtained for transactions that are repetitive in nature or when the need for these transactions

cannot be foreseen in advance. There have been no instances where the Board has not accepted any recommendation of the Audit Committee, during the financial year 2023-24.

Details of transactions with Related Parties as required under Section 134 (3) (h) of the Companies Act, 2013 read with Rule 8 (2) of the Companies (Accounts) Rules, 2014 are given in **Annexure - 1** in Form AOC - 2 and forms part of this Report. The Company has adopted a policy for dealing with Related Party Transactions. The Policy as approved by the Board is available at the web link: https://reliancechemotex.com/wp-content/uploads/2023/02/Policy_on_Related_Party_Transactions-FINAL.pdf

MEETINGS OF BOARD

The Board of Directors met five times during the year on May 26, 2023, August 11, 2023, November 09, 2023, February 14, 2024 and March 30, 2024. Frequency and quorum at these meetings and the intervening gap between any two meetings were in conformity with the provisions of the Companies Act, 2013, the SEBI Listing Regulations and Secretarial Standards issued by the Institute of Company Secretaries of India ("Secretarial Standards"). For further details, please refer to the Report on Corporate Governance annexed to this report.

COMMITTEES OF THE BOARD OF DIRECTORS

As on March 31, 2024, the Board of Directors has the following committees:

- Audit Committee
- Nomination & Remuneration Committee
- Stakeholders' Relationship Committee
- Finance Committee

The details of committees along with their composition, number of meetings, attendance at the meetings and other details are provided in the Corporate Governance Report annexed to this report.

CHANGE IN THE DIRECTORS AND KEY MANAGERIAL PERSONNEL

DIRECTORS

- In accordance with the provisions of the Companies Act, 2013 and the Articles of Association of the Company, Mr. Nand Gopal Khaitan (DIN: 00020588), Non-Executive & Non Independent Director and Mr. Rahul Shroff (DIN: 02301693), Whole Time Director and designated as Executive Director of the Company were liable to retire by rotation at the 45th Annual General Meeting and were re-appointed by the members.
- In accordance with the provisions of the Companies Act, 2013 and the Articles of Association of the Company, Mr. Sanjiv Shroff (DIN: 00296008), Managing Director and Mr. Ameya Shroff (DIN: 05315616), Whole Time Director and designated as Executive Director of the Company are liable to retire by rotation at the ensuing

Annual General Meeting and being eligible have offered themselves for re-appointment. The Board of Directors recommends their re-appointment.

- Mr. Sanjiv Shroff (DIN: 00296008) was re-appointed as Managing Director of the Company for a further period of 3 (Three) years w.e.f. September 01, 2023 to August 31, 2026 at the 45th Annual General Meeting of the Company.
- Mr. Ramadoss Srinivasan (DIN: 00235831) ceased to be an Independent Director of the Company, upon completion of his second term with effect from the close of business hours on March 31, 2024 and also ceased to be a Chairperson of the Board with effect from the close of business hours on March 31, 2024. Your Directors placed on record their sincere appreciation for Mr. Srinivasan's invaluable support, advice and guidance to the Company and its Management during his tenure, which was immensely valuable to build and drive resilient growth and performance of the Company.
- Mr. Narayan Shroff (DIN: 05207412) ceased to be an Independent Director of the Company, upon completion of his second term with effect from the close of business hours on March 31, 2024. Your Directors placed on record their sincere appreciation for Mr. Shroff's invaluable support, advice and guidance to the Company and its Management during his tenure, which was immensely valuable to build and drive resilient growth and performance of the Company.
- Mrs. Dipika Shroff (DIN: 00226941) vide letter dated March 31, 2024, has tendered her resignation as a Non-Executive - Non-Independent Director of the Company, with effect from the close of business hours on March 31, 2024 citing personal and unavoidable circumstances. Your Directors placed on record their sincere appreciation for the strong support, astute stewardship, constructive inputs and thoughtful guidance provided by Mrs. Shroff to the Company and its Management, and for helping set the strategy of the Company and charting its roadmap for the future, which was immensely valuable to drive the growth and performance of the Company.
- Mrs. Sruthy Sreerag Nath (DIN: 10479724) and Mr. Amit Sushilkumar Saboo (DIN: 05311484) were appointed as an Additional Directors (Non-Executive, Independent) of the Company based on the recommendation of the Nomination and Remuneration Committee for a term of 5 years with effect from April 01, 2024 to March 31, 2029, subject to approval of the shareholders of the Company.
- Mr. Vijay Kumar Nagar (DIN: 10552319) was appointed as an Additional Director (Non-Executive, Non-Independent) of the Company based on the recommendation of the Nomination and Remuneration Committee with effect from April 01, 2024, subject to approval of the shareholders of the Company.

The Company received notice under Section 160 of the Companies Act, 2013, from a member signifying his intention to propose the candidatures of Mrs. Sruthy Sreerag Nath, Mr. Amit Sushilkumar Saboo and Mr. Vijay Kumar Nagar to the office of Directors.

KEY MANAGERIAL PERSONNEL

There were no changes in the Key Managerial Personnel of the Company during the year under review.

DECLARATION BY INDEPENDENT DIRECTORS

Pursuant to Section 149 of the Companies Act, 2013 and Regulation 16 of the SEBI Listing Regulations, all Independent Directors of the Company have given a declaration that they meet the criteria of Independence and are also registered with the IICA databank of Independent Directors. The Exemption certificate has been received from all the Independent Directors for not-appearing in the Exam conducted by the IICA.

The Independent Directors have also confirmed that they have complied with the Company's code of conduct. In the opinion of the Board of Directors, the Independent Directors fulfill the conditions specified in the Companies Act, 2013 and the SEBI Listing Regulations and are independent of the management. In the opinion of the Board, the Independent Directors possess the requisite integrity, experience, expertise and proficiency required under all applicable laws and the policies of the Company.

Further, a familiarization program has been conducted for Independent Directors and the details are uploaded on the company website at <https://reliancechemotex.com/wp-content/uploads/2024/04/organized.pdf>

FORMAL ANNUAL EVALUATION

The Board of Directors has carried out an annual evaluation of its own performance, and the performance of board committees and individual directors pursuant to the provisions of the Companies Act, 2013 and the SEBI Listing Regulations.

The performance of the board was evaluated by the Board after seeking inputs from all the directors on the basis of criteria such as the board composition and structure, the effectiveness of board processes, the information and functioning, etc.

The performance of the committees was evaluated by the Board after seeking inputs from the committee members on the basis of criteria such as the composition of committees, the effectiveness of committee meetings, etc.

The above criteria are broadly based on the Guidance Note on Board Evaluation issued by the Securities and Exchange Board of India on January 5, 2017. In a separate meeting of independent directors held on May 26, 2023 the performance of non-independent directors, the Board as a whole, and the Chairperson of the Company were evaluated,

taking into account the views of executive directors and non-executive directors.

The Board and the Nomination and Remuneration Committee reviewed the performance of individual directors on the basis of criteria such as the contribution of the individual director to the board and committee meetings based on their preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc.

At the board meeting that followed the meeting of the independent directors and meeting of Nomination and Remuneration Committee, the performance of the Board, its Committees, and individual directors was also discussed. Performance evaluation of independent directors was done by the entire Board, excluding the independent director being evaluated.

AUDITORS AND AUDIT REPORTS

STATUTORY AUDITOR AND AUDIT REPORT

M/s. P K M B & Co., Chartered Accountants (Firm Registration No.: 016746N) (*The name of the Statutory Auditor's firm has been changed to P K M B & Co. pursuant to the merger of Jain Pramod Jain & Co. and P K Gaur & Associates w.e.f. 01st December 2023*) was re-appointed as Statutory Auditor of your Company at the 44th Annual General Meeting held on September 27, 2022, for the second term of five consecutive years commencing from the conclusion of the 44th Annual General Meeting until the conclusion of the 49th Annual General Meeting to be held in the year 2027. The Auditor had confirmed that they were not disqualified from being re-appointed as Auditor of the Company.

The Statutory Auditor Report for the financial year 2023-24 on the financial statements of the Company forms part of this Annual Report. The Auditor have expressed their unmodified opinion on the financial statements and their reports do not contain any qualifications, reservations, adverse remarks, or disclaimers. The Auditor has expressed their observation in their report and the same was explained by the management. The information referred to in the Auditor's Report is self-explanatory and does not call for any further comments.

COST AUDITOR AND COST AUDIT REPORT

M/s. N N & Associates, Cost Accountants (Firm Registration No.: 002322), was re-appointed as Cost Auditor of the Company for conducting the Cost Audit for the financial year 2023-24. The Cost audit report for the financial year 2023-24 does not contain any qualifications, reservations, adverse remarks, or disclaimers. The information referred to in the Auditor's Report is self-explanatory and does not call for any further comments.

In terms of the provisions of Section 148 of the Companies Act, 2013, read with Companies (Cost Records and Audit) Rules, 2014, as amended from time to time, the Board of Directors of the company at their meeting held on May 24, 2024 has, on the recommendation of the Audit Committee,

approved the re-appointment of M/s. N N & Associates, Cost Accountants (Firm Registration No. 002322), as the Cost Auditor, to conduct the Cost Audit for the financial year 2024-25. A resolution seeking approval of the Shareholders for ratifying the remuneration payable to the Cost Auditor for the financial year 2024-25 is provided in the Notice of the ensuing Annual General Meeting.

The Cost accounts and records as required to be maintained under section 148 (1) of the Companies Act, 2013 are duly made and maintained by the Company.

SECRETARIAL AUDITOR AND SECRETARIAL AUDIT REPORT

M/s. Bhandari & Associates, Company Secretaries (Firm Registration No.: P1981MH043700) was appointed as Secretarial Auditor of the Company for conducting the Secretarial Audit for the financial year 2023-24. The Secretarial Audit Report for the financial year 2023-24, in form MR-3, does not contain any qualifications, reservations or adverse remarks and is annexed to this report as **Annexure - 2**.

Further, the Board of Directors has approved the re-appointment of M/s. Bhandari & Associates, Company Secretaries (Firm Registration No.: P1981MH043700) as Secretarial Auditor at their meeting held on May 24, 2024 for conducting the Secretarial Audit of the Company for the financial year 2024-25.

INTERNAL AUDITOR AND INTERNAL AUDIT REPORT

M/s. Rajeev Amitabh & Co, Chartered Accountants (Firm Registration No.: 009942N) was re-appointed as Internal Auditor of the Company for conducting an Internal Audit for the financial year 2023-24. The Internal Audit Report for the financial year 2023-24 does not contain any qualifications, reservations, adverse remarks, or disclaimers. The information referred to in the Auditor's Report is self-explanatory and does not call for any further comments.

Further, the Board of Directors has approved the re-appointment of M/s. Rajeev Amitabh & Co, Chartered Accountants (Firm Registration No.: 009942N) as Internal Auditor at their meeting held on May 24, 2024 for conducting the Internal Audit of the Company for the financial year 2024-25.

REPORTING OF FRAUDS BY AUDITORS

No instances of fraud were reported by the Auditors under Section 143(12) of the Companies Act, 2013.

VIGIL MECHANISM /WHISTLE BLOWER POLICY

Your Company is committed to the highest standards of ethical, moral and legal business conduct. Accordingly, the Board of Directors has formulated a Whistle Blower Policy which is in compliance with the provisions of Section 177 of the Companies Act, 2013 and the SEBI Listing Regulations. The policy provides a framework and process whereby concerns can be raised by its directors or employees or any other person against any kind of discrimination, harassment,

victimization or any other unfair practice being adopted against them, and can also report these directly to the Chairperson of the Audit Committee. The policy focuses on promoting ethical behavior in all its business activities and encourages employees to report concerns and unethical behavior, actual or suspected fraud or violation of the company's code of conduct and ethics. Under the said mechanism, employees are free to report violations of applicable laws and regulations and the Code of Conduct. It also provides adequate safeguards against the victimization of persons who use this mechanism. The Vigil Mechanism/ Whistle Blower Policy has been posted on the Company's website at <https://www.reliancechemotex.com/wp-content/uploads/2021/06/Vigil-Mechanism-Whistle-blower-policy.pdf>. The functioning of the Vigil Mechanism is reviewed by the Audit Committee from time to time. The Company affirms that no director/employee has been denied access to the Chairperson of the Audit Committee and that no complaint was received during the year under review.

CORPORATE SOCIAL RESPONSIBILITY

The Company has a Policy on Corporate Social Responsibility and the same has been posted on the website of the Company at <https://reliancechemotex.com/wp-content/uploads/2023/02/CSR-Policy-FINAL.pdf>

As required under Section 134 (3) (o) of the Companies Act, 2013 and Rule 9 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, the Annual Report on CSR activities, is annexed as **Annexure - 3**, which forms part of this Report.

RISK MANAGEMENT POLICY

The Company has adopted measures concerning the development and implementation of a Risk Management System in terms of Section 134(3)(n) of the Companies Act, 2013 and in line with the Risk Management Policy of the Company, after identifying the elements of risks which, in the opinion of the Board, may threaten the very existence of the Company itself. The Company has an elaborate process of identification, assessment and prioritization of risk followed by coordinated efforts to minimize, monitor and mitigate/control the probability and/or impact of unfortunate events or to maximize the realization of opportunities.

Your Company has a comprehensive Enterprise Risk Management framework to periodically assess risks in the internal and external environments (including Cyber Security) and incorporate mitigation plans in its business strategy and operation plans.

The Risk Management procedure is reviewed by the Board from time to time, to ensure that the executive management controls risks through means of a properly defined framework. Major risks identified are systematically addressed through mitigating actions on a continuing basis.

DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has always believed in providing a safe and harassment-free workplace for every individual through various interventions and practices. The Company always endeavors to create and provide an environment that is free from discrimination and harassment, including sexual harassment.

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013. The Internal Complaints Committee has been set up in compliance with the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy.

Following are the details of sexual harassment cases for the financial year 2023-24:

S. No.	No. of complaints received during the financial year	No. of complaints disposed of during the financial year	No. of Complaints pending as at the end of the financial year
	Nil	Nil	Nil

ANNUAL RETURN

Pursuant to Section 92 (3) read with Section 134 (3) (a) of the Companies Act, 2013, the Annual Return as on March 31, 2024 is available on the Company's website at <http://www.reliancechemotex.com/reports/financial-reports/>

DEPOSITS

During the financial year 2023-24, your Company has not invited, accepted or renewed any deposits within the meaning of Sections 73, 74 and 76 of the Companies Act, 2013 read together with the Companies (Acceptance of Deposits) Rules, 2014 and, as such, no amount remained unpaid or unclaimed as at the end of the year, and there has not been any default in repayment of deposits or payment of interest thereon during the year 2023-2024. In terms of Rule no. 2(1)(c)(viii) of the Companies (Acceptance of Deposits) Rules, 2014, the borrowings taken from the Directors have been stated in note no.16 of the financial statements.

INTERNAL FINANCIAL CONTROL SYSTEM

For a detailed discussion with reference to the adequacy of internal financial controls, please refer to Management Discussion and Analysis Report annexed to this report as **Annexure -7**.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The information pertaining to the conservation of energy, technology absorption, Foreign Exchange Earnings and outgo as required under Section 134 (3) (m) of the Companies Act, 2013 read with Rule 8 (3) of the Companies (Accounts) Rules, 2014 is annexed to this report as **Annexure - 4**.

NOMINATION & REMUNERATION POLICY

The Board of Directors has framed the policy on Nomination & Remuneration which lays down the framework in relation to the selection, appointment and remuneration of Directors, Key Managerial Personnel, Senior Management Personnel and other employees of the Company.

The salient features of the Policy as approved by the Board are as follows:

- Appointment of the Directors and Key Managerial Personnel of the Company.
- Fixation of the remuneration of the Directors, Key Managerial Personnel, Senior Management Personnel and other employees of the Company.
- Formulate a criterion for determining qualifications, positive attributes and independence of a director.
- Specify methodology for effective evaluation of performance of Board/committees of the Board and review the terms of appointment of Independent Directors on the basis of the report of performance evaluation of the Independent Directors.
- To ensure a transparent nomination process for directors with the diversity of thought, experience, knowledge, perspective and gender in the Board.
- Undertake any other matters as the Board may decide from time to time.

The Nomination & Remuneration Policy has been posted on the Company's website at <https://reliancechemotex.com/wp-content/uploads/2022/12/Nomination-Remuneration-Policy.pdf>

PARTICULARS OF EMPLOYEES & THEIR DISCLOSURES

Disclosures pursuant to Section 197 (12) of the Companies Act, 2013, read with Rule 5 (1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed to this Report as **Annexure - 5**.

Further, disclosures pursuant to Rule 5 (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed to this Report as **Annexure - 6**.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The Management Discussion and Analysis Report for the financial year 2023-24, as stipulated under the SEBI Listing Regulations is annexed to this report as **Annexure - 7**.

REPORT ON CORPORATE GOVERNANCE

The Company has complied with the Corporate Governance requirements under the provisions of the Companies Act, 2013 and the SEBI Listing Regulations. The Report on Corporate Governance for the financial year 2023-24 is annexed to this report as **Annexure - 8**.

DISCLOSURE OF ACCOUNTING TREATMENT IN PREPARATION OF FINANCIAL STATEMENTS

The financial statements are prepared in accordance with Indian Accounting Standards (Ind AS). The IND AS are prescribed under section 133 of the Companies Act, 2013, read with rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and the Companies (Indian Accounting Standards) Amendment Rules, 2016. Accounting Policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

SECRETARIAL STANDARDS

The Company has complied with the applicable provisions of the Secretarial Standards issued by the Institute of Companies Secretaries of India and notified by the Ministry of Corporate Affairs.

DIRECTORS' RESPONSIBILITY STATEMENT

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

- In the preparation of the annual accounts for the financial year ended March 31, 2024, the applicable accounting standards have been followed and there are no material departures;
- They have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;
- They have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- They have prepared the Annual Accounts for the financial year ended March 31, 2024 on a going concern basis;
- They have laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and operating effectively;
- They have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016

No application has been made under the Insolvency and Bankruptcy Code; hence the requirement to disclose the details of an application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the year along with their status as at the end of the financial year is not applicable.

OTHER DISCLOSURES

There was no instance of one time settlement with any Bank or Financial Institution; and other disclosures with respect to the Board's Report as required under the Companies Act, 2013 read with rules notified thereunder and the SEBI Listing Regulations and other SEBI regulations are either NIL OR NOT APPLICABLE.

CAUTION STATEMENT

Statements in the Board's Report and the Management Discussion and Analysis describing the Company's objectives, expectations or predictions may be forward-looking within the meaning of applicable securities laws and regulations. Actual results may differ materially from those expressed in the statement. Crucial factors that could

influence the Company's operations include global and domestic demand and supply conditions affecting selling prices, new capacity additions, availability of critical materials and their cost, changes in government policies and tax laws, economic development of the country and other factors that are material to the business operations of the Company.

APPRECIATIONS AND ACKNOWLEDGEMENTS

Your Directors place on record their deep appreciation to every member of the Reliance family for their hard work, dedication and commitment, to whom the credit for the Company's achievements goes. Your Directors would also like to acknowledge the valuable contribution of the Company's Promoters to the continuous improvement in our Business Practices.

Your Company looks upon its suppliers, distributors, retailers, business partners and others associated with it in its progress and the Board places on record its appreciation for the support and co-operation from all of them. The Directors take this opportunity to express their deep sense of gratitude to the Banks, Government and Regulatory authorities, both at the Central and the State levels for their continued guidance and support.

And to you, our shareholders, we are deeply grateful for the confidence and faith that you have always reposed in us.

For and on behalf of the Board of Reliance Chemotex Industries Ltd.

Place: Mumbai
Date: May 24, 2024

Sanjiv Shroff
Managing Director
DIN: 00296008

Rahul Shroff
Whole Time Director
DIN: 02301693

Registered Office: Village Kanpur, Post Box No.73, Udaipur, Rajasthan, 313003
CIN: L40102RJ1977PLC001994
Tel: +91 (0) 294 2491489; +91 (0) 294 2491490 | Fax: +91 (0) 294 2490067
E-mail: cs@reliancechemotex.com | Website: www.reliancechemotex.com

Annexure: 1

FORM NO. AOC - 2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014)

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

1. DETAILS OF CONTRACTS OR ARRANGEMENTS OR TRANSACTIONS NOT AT ARM'S LENGTH BASIS: NIL

Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the Contracts/ arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Justification for entering into such contracts or arrangements or transactions	Date(s) of approval by the Board	Amount paid as advances, if any	Date on which the special resolution was passed in general meeting as required under first proviso to section 188
-	-	-	-	-	-	-	-

2. DETAILS OF MATERIAL CONTRACTS OR ARRANGEMENTS OR TRANSACTIONS AT ARM'S LENGTH BASIS:

Name(s) of Related Party and nature of relationship	Nature of Contracts/ arrangements/ Transactions	Duration of Contracts/ arrangements/ Transactions	Salient terms of the Contracts or arrangements or transactions including the value, if any	Monetary Value of Contracts/ arrangements/ Transactions (₹ in Lacs)	Date(s) of Approval by the Board if any	Amount Paid as Advance, if any
AR Commercial Private Ltd (Shareholder - Promoter Group)	Leave and License Agreement	5 Years	Interest free Deposit of Rs.1,25,00,000 and Rent of Rs. 1,57,500/- to be paid monthly with an increase of 5% annual rent on mutual discussion.	14.40	21-06-2021	-
Indo Textiles & Fibres Ltd (Other related party)	Leave and License Agreement	5 Years	Interest free Deposit of Rs. 1,25,00,000 and Rent of Rs. 2,36,250/- to be paid monthly with an increase of 5% annual rent on mutual discussion.	46.35	10-08-2021	-
Indo Textiles & Fibres Ltd (Other related party)	Leave and License Agreement	5 Years	Interest free Deposit of Rs. 25,00,000 and Rent of Rs. 1,57,500/- to be paid monthly with an increase of 5% annual rent on mutual discussion.		10-08-2021	-
AS Chemotex Pvt. Ltd. (Shareholder - Promoter Group)	Leave and License Agreement	5 Years	Interest free Deposit of Rs.25,00,000 and Rent of Rs. 1,57,500/- to be paid monthly with an increase of 5% annual rent on mutual discussion.	18.90	10-08-2021	-
Spell Fashions Pvt. Ltd (Other related party)	Leave and License Agreement	5 Years	Interest free Deposit of Rs. 51,000 and Rent of Rs. 30,000/- to be received monthly with an increase of 5% annual rent on mutual discussion.	3.60	21-06-2021	-

For and on behalf of the Board of Reliance Chemotex Industries Ltd.

Place: Mumbai
Date: May 24, 2024

Sanjiv Shroff
Managing Director
DIN: 00296008

Rahul Shroff
Whole Time Director
DIN: 02301693

Registered Office: Village Kanpur, Post Box No.73, Udaipur, Rajasthan, 313003
CIN: L40102RJ1977PLC001994
Tel: +91 (0) 294 2491489; +91 (0) 294 2491490 | Fax: +91 (0) 294 2490067
E-mail: cs@reliancechemotex.com | Website: www.reliancechemotex.com

Annexure: 2

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2024

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To
The Members,
RELIANCE CHEMOTEX INDUSTRIES LIMITED
CIN: L40102RJ1977PLC001994

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by RELIANCE CHEMOTEX INDUSTRIES 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 covering the financial year ended March 31, 2024 complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended March 31, 2024 according to the 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'):-

- 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, 2018#;
- d. The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021#;
- e. The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021#;
- f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act, 2013 and dealing with client;
- g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021#;
- h. The Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018#; and
- i. The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018;

The Regulations or Guidelines, as the case may be were not applicable to the Company for the period under review.

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

- i. Secretarial Standards issued by the Institute of Company Secretaries of India.
- ii. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

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 audit period were carried out in compliance with the provision of the Act.

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

on the agenda items before the meeting and for meaningful participation at the meeting.

During the period under review, decisions were carried through unanimously and no dissenting views were observed, while reviewing the minutes.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period, there were no events/actions, having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc.

For **Bhandari & Associates**

Company Secretaries

Unique Identification No.: P1981MH043700

Peer Review Certificate No.: 611/2019

S. N. Bhandari

Partner

FCS No.: 761; CP No.: 366

ICSI UDIN: F000761F000425185

Mumbai | May 24, 2024

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

'Annexure A'

To
The Members,
RELIANCE CHEMOTEX INDUSTRIES LIMITED
CIN: L40102RJ1977PLC001994

Our Secretarial Audit Report for the financial year ended March 31, 2024 of even date is to be read along with this letter.

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

For **Bhandari & Associates**
Company Secretaries
Unique Identification No.: P1981MH043700
Peer Review Certificate No.: 611/2019

S. N. Bhandari
Partner
FCS No.: 761; CP No.: 366
ICSI UDIN: F000761F000425185

Mumbai | May 24, 2024

Annexure: 3

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (“CSR”) ACTIVITIES

[As prescribed under Section 135 of the Companies Act, 2013 read with Rule 8 of Companies (Corporate Social Responsibility Policy) Rules, 2014]

1. BRIEF OUTLINE ON CSR POLICY OF THE COMPANY:

The Corporate Social Responsibility Policy of the company is intended to ensure that the CSR programs of the Company reflect its values and is aligned with the applicable regulatory requirements. The Company believes in taking an active role and responsibility in transforming the lives of rural people by improving their socio-economic conditions directly or indirectly. The efforts of the Company will not only impact the development of the direct beneficiaries, but also attempt to enhance the education levels among the underprivileged people. Education and skill development, clean water and sanitation in schools for underprivileged children, rural developments, good health, eradication of poverty, hunger, rehabilitation, and other are key pillars of our Corporate Social Responsibility policy which always motivates us of giving back to society.

2. COMPOSITION OF CSR COMMITTEE:

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
Not Applicable				

3. WEB LINK(S) WHERE COMPOSITION OF CSR COMMITTEE, CSR POLICY AND CSR PROJECTS APPROVED BY THE BOARD ARE DISCLOSED ON THE WEBSITE OF THE COMPANY:

Composition of the CSR Committee on – Not Applicable

CSR Policy on - <https://reliancechemotex.com/wp-content/uploads/2023/02/CSR-Policy-FINAL.pdf>

CSR Projects on - <http://www.reliancechemotex.com/reports/code-of-conduct-and-policies/>

4. EXECUTIVE SUMMARY ALONG WITH WEB-LINK(S) OF IMPACT ASSESSMENT OF CSR PROJECTS CARRIED OUT IN PURSUANCE OF SUB-RULE (3) OF RULE 8, IF APPLICABLE: NOT APPLICABLE

5. a. Average net profit of the company as per sub-section (5) of section 135: **Rs. 17,89,86,914/-**
- b. Two percent of average net profit of the company as per sub-section (5) of section 135: **Rs. 35,79,738/-**
- c. Surplus arising out of the CSR Projects or programmes or activities of the previous financial years: **NIL**
- d. Amount required to be set-off for the financial year, if any: **Rs. 3,12,217/-**
- e. Total CSR obligation for the financial year [(b)+(c)-(d)]: **Rs. 32,67,521/-**
6. a. Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project): **Rs. 33,13,700/-**
- b. Amount spent in Administrative Overheads: **NIL**
- c. Amount spent on Impact Assessment, if applicable: **NOT APPLICABLE**
- d. Total amount spent for the Financial Year [(a)+(b)+(c)]: **Rs. 33,13,700/-**
- e. CSR amount spent or unspent for the Financial Year:

Total Amount Spent for the Financial Year (Rs.)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per subsection (6) of section 135		Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of section 135		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
33,13,700/-	-	-	-	-	-

f. Excess amount for set-off, if any:

Sl. No.	Particular	Amount (in Rs.)
(1)	(2)	(3)
(i)	Two percent of average net profit of the company as per sub-section (5) of section 135	32,67,521/-
(ii)	Total amount spent for the Financial Year	33,13,700/-
(iii)	Excess amount spent for the Financial Year [(ii)-(i)]	46,179/-
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any	Nil
(v)	Amount available for set off in succeeding Financial Years [(iii)-(iv)]	46,179/-

7. DETAILS OF UNSPENT CORPORATE SOCIAL RESPONSIBILITY AMOUNT FOR THE PRECEDING THREE FINANCIAL YEARS:

1	2	3	4	5	6		7	8
Sl. No.	Preceding Financial Year(s)	Amount transferred to Unspent CSR Account under subsection (6) of section 135 (in Rs.)	Balance Amount in Unspent CSR Account under subsection (6) of section 135 (in Rs.)	Amount Spent in the Financial Year (in Rs)	Amount transferred to a Fund as specified under Schedule VII as per second proviso to subsection (5) of section 135, if any		Amount remaining to be spent in succeeding Financial Years (in Rs)	Deficiency, if any
					Amount (in Rs)	Date of Transfer		
1	FY-1	-	-	-	-	-	-	-
2	FY-2	-	-	-	-	-	-	-
3	FY-3	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-

8. WHETHER ANY CAPITAL ASSETS HAVE BEEN CREATED OR ACQUIRED THROUGH CORPORATE SOCIAL RESPONSIBILITY AMOUNT SPENT IN THE FINANCIAL YEAR:

Yes No

If Yes, enter the number of Capital assets created/ acquired

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

Sl. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pincode of the property or asset(s)	Date of creation	Amount of CSR amount spent	Details of entity/ Authority/ beneficiary of the registered owner		
(1)	(2)	(3)	(4)	(5)	(6)		
					CSR Registration Number, if applicable	Name	Registered address
-	-	-	-	-	-	-	-

(All the fields should be captured as appearing in the revenue record, flat no, house no, Municipal Office/Municipal Corporation/ Gram panchayat are to be specified and also the area of the immovable property as well as boundaries)

9. SPECIFY THE REASON(S), IF THE COMPANY HAS FAILED TO SPEND TWO PER CENT OF THE AVERAGE NET PROFIT AS PER SUBSECTION (5) OF SECTION 135: NOT APPLICABLE

Date: May 24, 2024

Place: Mumbai

Registered Office: Village Kanpur, Post Box No.73, Udaipur, Rajasthan, 313003

CIN: L40102RJ1977PLC001994

Tel: +91 (0) 294 2491489 ; +91 (0) 294 2491490 | Fax: +91 (0) 294 2490067

E-mail: cs@reliancechemotex.com | Website: www.reliancechemotex.com

Sanjiv Shroff

Managing Director

DIN: 00296008

Annexure: 4

DETAILS ON CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

(Pursuant to Section 134 (3) (m) of the Companies Act, 2013 read with Rule 8 (3) of The Companies (Accounts) Rules, 2014)

A. CONSERVATION OF ENERGY-

I. STEPS TAKEN OR IMPACT ON CONSERVATION OF ENERGY

In line with the Company's commitment towards conservation of energy, the company continues with its efforts aimed at improving energy efficiency through innovative measures to reduce wastage and optimize consumption. Some of the measures taken by the company in this direction are as under:

- a. Conversion of 3 Nos. steam driers with new insulation panels and conveyor
- b. Compressed air leakage arrest in various spinning and post-spinning machines
- c. Insulation of steam lines to reduce steam losses

These measures have also reduced environmental impact, reduced maintenance time and cost, and improved productivity.

II. THE STEPS TAKEN BY THE COMPANY FOR UTILIZING ALTERNATE SOURCES OF ENERGY

- a. In Boiler, use of fossil fuels completely stopped and uses renewable sources like "Biomass".
- b. Installation of 1,541 kWp Rooftop Solar systems.

III. THE CAPITAL INVESTMENT ON ENERGY CONSERVATION EQUIPMENTS:

Rs. 24,22,720.00/-

B. TECHNOLOGY ABSORPTION-

I. THE EFFORTS MADE TOWARDS TECHNOLOGY ABSORPTION

- Increased capacity of multifold knotless yarn on jumbo TFO for heavy-duty application and continuous efforts are going on for the industrial sector for PPS, Polypropylene & Nylon.
- Branding our products name as a GOLD, PEARL & AQUA.
- During the financial year under review, we have started our new G & F Section with latest new technology machines (Total Spindles – 12480).
- We increased our double yarn production capacity by 8 MT/day from previous financial year, total 20 TFO started in this financial year.
- We are also increasing our U-2 production by 4 MT for the same we increasing preparatory machines.
- We installed one jumbo TFO & Cheese winding for enhance our jumbo TFO yarn production.
- We increased our Slub yarn production because in G & F Section all installed Rfs can produce Slub also.
- On the way of Industry 4.0 or Digitalization we installed PINTER in all U-2 Rfs for better monitoring Production data as well as Quality data.
- We have taken a step towards GREEN INDIA Concept, for monitor Air consumption, air leakages we installed KALKI attachment, from it we can do air consumption GAP analysis so that we address & attend leakages timely.
- Inway forward of Reduce waste technique we installed Roving Stop motion in Rf, from it we reduced our pumeafil waste.
- We installed LMW SMART RF's, its USP is can make Normal Yarn as well as Slub Yarn.
- We are India's first Yarn dyed manufacturer who installed long Rfs (960 Spdl) with Linc Coner set up, from it reduce manual touch on yarn.

II. THE BENEFITS DERIVED AS A RESULT OF THE ABOVE R&D

New business in Home Textiles and high-end fabric categories as well as the Customer base is widened.

III. IN CASE OF IMPORTED TECHNOLOGY (IMPORTED DURING THE LAST THREE YEARS RECKONED FROM THE BEGINNING OF THE FINANCIAL YEAR)

- a. **The details of technology imported:** The Company has not imported any technology during the last three financial years.
- b. **The year of import:** Not applicable
- c. **Whether the technology been fully absorbed:** Not applicable
- d. **If not fully absorbed, areas where absorption has not taken place, and the reason thereof:** Not applicable.
 - We have purchased the all latest **JAPANESE Autoconer machine QPRO Plus** having salient features of upper yarn sensors for even formation of packages.
 - In G & F Section along with world best EYC gauge- **USTER Quantum 4 (SWITZERLAND)**, having a better evaluation of online yarn faults classifications and additional settings i.e. SWARM setting in which we can cut the specific defect yarn zone without affecting the yarn body.
 - We installed Industrial Splicer- **MESDAN (ITALY)**, Specially for coarser counts for getting better splice strength.
 - We designed special Rewinding machine – **SAVIO-POLAR – ECO-PULSER**, made in **ITALY**.
 - Installed New Sample Dying Machine
 - Installed New Shade Card Preparation Machine.

IV. THE EXPENDITURE INCURRED ON RESEARCH AND DEVELOPMENT

Recurring: R & D expenses cannot be segregated.

C. FOREIGN EXCHANGE EARNINGS AND OUTGO-

(Rs. in Lakh)

1.	Foreign Exchange Earnings:	18964.46/-
2.	Foreign Exchange Outgo:	978.97/-

Annexure: 5

MANAGERIAL REMUNERATION & PARTICULARS OF EMPLOYEES

(Information relating to remuneration of Directors / Key Managerial Personnel as required under Section 197 (12) of the Companies Act, 2013 read with Rule 5 (1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014)

Sl. No.	Particulars	Disclosure	
		Name of Director	Ratio
1.	The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year 2023-24	Mr. Sanjiv Shroff	155.83
		Mr. Rahul Shroff	143.49
		Mr. Ameya Shroff	146.86
2.	The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year 2023-24	Mr. Sanjiv Shroff, Managing Director	-
		Mr. Rahul Shroff, Executive Director	-
		Mr. Ameya Shroff, Executive Director	-
		Mr. Chandrasekaran Rajagopalan, Chief Financial Officer	9.5%
		Mr. Utkarsh Gaur, Company Secretary	12.94%
3.	The percentage increase in the median remuneration of employees in the financial year	10	
4.	The number of permanent employees on the rolls of company as at March 31, 2024	2211	
5.	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration	<p>Average % increase in the salary of employees other than Managerial Personnel: - 10.00%</p> <p>Average % increase in the Salary of the Managerial Personnel :- Nil</p> <p>There was no exceptional circumstance in an increase in managerial personnel in the last financial year. The average percentile increase and policy was the same for managerial personnel and all the other employees.</p>	
6.	Affirmation that the remuneration is as per the remuneration policy of the company	Yes, the remuneration is as per the remuneration policy of the Company	

Annexure: 6

INFORMATION PURSUANT TO SECTION 197 OF THE COMPANIES ACT, 2013 READ WITH RULE 5 (2) and 5 (3) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

Sl. No.	Employee name	Designation	Remuneration received (in Rs.)	Qualification	Experience (in years)	Date of commencement of employment	Age (in years)	Last employment	Nature of employment, whether contractual or otherwise
1.	Mr. Sanjiv Shroff*	Managing Director	1,10,40,000	Bachelor of Science	35 Years	01.09.88	63 Years	-	Permanent
2.	Mr. Rahul Shroff**	Executive Director	1,01,43,000	Bachelor of Science in Electrical Engineering and Computer Science, a Bachelor of Science in Management and a Master of Engineering in Electrical Engineering and Computer Science	15 Years	28.07.08	37 Years	-	Permanent
3.	Mr. Ameya Shroff***	Executive Director	89,40,000	Bachelor of Science in Electrical Engineering and Computer Science, a Bachelor of Science in Management and a Master of Engineering in Electrical Engineering and Computer Science	10 Years	29.06.13	33 Years	-	Permanent
4.	Mr. Chandrasekaran Rajagopalan	Chief Financial Officer	56,30,556	Chartered Accountant & Company Secretary	41 years	1.1.11.19	63 Years	IC Petrochemicals Ltd.	Permanent
5.	Mr. Vinay Srivastav	President	67,09,653	Diploma in Textile Technology	25 Years	01.05.20	47 Years	Trident Ltd.	Permanent
6.	Mr. Madan Gopal Rathi	Finance Manager and Coordinator	19,94,657	Post Graduate in Commerce	52 Years	01.04.82	72 Years	-	Permanent
7.	Mr. Anil Mujumdar	Vice President Engineering	18,95,441	Diploma in Electrical	41 Years	30.09.15	62 Years	Cimatex Industries Ltd.	Permanent
8.	Mr. Pankaj Kothari	Vice President Finance	22,59,173	Chartered Accountant & B. Com	31 Years	15.01.21	48 Years	Videocon Industries Ltd.	Permanent
9.	Mr. Birendra Bahadur Singh	Vice President P & A	20,56,108	B. A.	37 Years	01.12.21	59 Years	ST Cottex Exports Private Limited	Permanent
10.	Mr. Mahammad Umar Godme	Sr. General Manager (Maintenance)	17,88,035	B. Tech	17 Years	24.08.20	59 Years	SAS Cashmere Pvt. Ltd.	Permanent

* Mr. Sanjiv Shroff is father of Mr. Rahul Shroff and Mr. Ameya Shroff accordingly the directors are related to each other.

** Mr. Rahul Shroff is son of Mr. Sanjiv Shroff and brother of Mr. Ameya Shroff accordingly the directors are related to each other.

*** Mr. Ameya Shroff is son of Mr. Sanjiv Shroff and brother of Mr. Rahul Shroff accordingly the directors are related to each other.

Note:

- The remuneration above does not include provision/payment towards incremental liability on account of gratuity and compensated absences since actuarial valuation is done for the company as a whole.
- None of the employees held 2% or more of the equity shares of the Company by himself or along with his spouse and dependent children.

Annexure: 7

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Global economic overview

Global economic growth declined from 3.5% in 2022 to around 3.1% in 2023. A disproportionate share of global growth in 2023-24 is expected to come from Asia, despite the weaker-than-expected recovery in China. There was also a sustained weakness in USA, increased logistics cost induced by the Red Sea crisis, weak global consumer sentiment on account of the Ukraine-Russia war, and higher energy costs in Europe. The result is that the global economic current was tentative at the close of the last financial year.

Growth in advanced economies is expected to slow from 2.6 percent in 2022 to 1.5 percent in 2023 and to 1.4 percent in 2024, partly on account of the monetary policy in these countries continuing to remain conservative as the respective governments focus on controlling consumption and inflation through high interest rates. Emerging market and developing economies are projected to report a modest growth decline from 4.1 percent in 2022 to 4.0 percent in 2023 and 2024. Global inflation is expected to decline steadily from 8.7 percent in 2022 to 6.9 percent in 2023 and to 5.8 percent in 2024, due to a tighter monetary policy aided by relatively lower international commodity prices. Core inflation decline is expected to be more gradual; inflation is not expected to return to target until 2025 in most cases.

Global trade in goods was expected to have declined nearly US\$2 trillion in 2023; trade in services was expected to have expanded by US\$500 billion. The cost of Brent crude oil averaged \$83 per barrel in 2023, down from \$101 per barrel in 2022, with crude oil from Russia finding destinations outside the European Union and global crude oil demand falling short of expectations.

Regional growth (%)	2023	2022
World output	3.1	3.5
Advanced economies	1.69	2.5
Emerging and developing economies	4.1	3.8

(Source: UNCTAD, IMF)

Performance of major economies, 2023

United States: Reported GDP growth of 2.5% in 2023 compared to 1.9% in 2022

China: GDP growth was 5.2% in 2023 compared to 3% in 2022

United Kingdom: GDP grew by 0.1% in 2023 compared to 4.3% in 2022

Growth of the Indian economy

	FY 21	FY 22	FY 23	FY 24
Real GDP growth (%)	-6.6%	8.7	7.2	7.8 E

E: Estimated

Japan: GDP grew 1.9% in 2023 unchanged from a preliminary 1.9% in 2022

Germany: GDP contracted by 0.3% in 2023 compared to a growth of 1.8% in 2022

(Source: PWC report, EY report, IMF data, OECD data, Livemint)

Outlook

Asia is expected to continue to account for the bulk of global growth in 2024-25. Inflation is expected to ease gradually as cost pressures moderate; headline inflation in G20 countries is expected to decline. The global economy is expected to remain resilient around the levels of the previous year even in the face of sustained inflation and monetary tightening.

(Source: World Bank).

Indian economic overview

The Indian economy was estimated to grow 7.8 per cent in the 2023-24 fiscal against 7.2 per cent in 2022-23 mainly on account of the improved performance in the mining and quarrying, manufacturing and certain segments of the services sector. India retained its position as the fifth largest economy. The Indian rupee displayed relative resilience compared to the previous year; the rupee opened at Rs 82.66 against the US dollar on the first trading day of 2023 and on 27 December was Rs 83.35 versus the greenback, a depreciation of 0.8%.

In the 11 months of FY 2023-24, the CPI inflation averaged 5.4 percent with rural inflation exceeding urban inflation. Meanwhile, lower production and erratic weather led to a spike in food inflation.

Core inflation, on the other hand, averaged at 4.5 percent, a sharp decline from 6.2 percent in FY 23. This decline can be attributed to the easing of global commodity prices.

The nation's foreign exchange reserves reached \$645.6 billion. This was attributed to the credit quality of Indian companies remaining robust between October 2023 and March 2024 following deleveraged Balance Sheets, sustained domestic demand and government-led capital expenditure. Furthermore, the rating upgrades continued to surpass rating downgrades in the second half of FY24.

UPI transactions in India posted a record 56 per cent rise in volume and 43 per cent rise in value in FY24.

Growth of the Indian economy quarter by quarter, FY 2023-24

	Q1FY24	Q2FY24	Q3FY24	Q4FY24E
Real GDP growth (%)	8.2	8.1	8.4	8 E

(Source: Budget FY24; Economy Projections, RBI projections, Deccan Herald)

India's monsoon for 2023 hit a five-year low. August was the driest month in a century. From June to September, the country received only 94 per cent of its long-term average rainfall. Despite this reality, wheat production was expected to touch a record 114 million tonnes in the 2023-24 crop year on account of higher coverage. Rice production was expected to decline to reach 106 million metric tons (MMT) compared with 132 million metric tonnes in the previous year. Total kharif pulses production for 2023-24 was estimated at 71.18 lakh metric tonnes, lower than the previous year due to climatic conditions.

As per the first advance estimates of national income released by the National Statistical Office (NSO), the manufacturing sector output was estimated to grow 6.5 per cent in 2023-24 compared to 1.3 per cent in 2022-23. The Indian mining sector growth was estimated at 8.1 per cent in 2023-24 compared to 4.1 per cent in 2022-23. Financial services, real estate and professional services were estimated to record a growth of 8.9 per cent in 2023-24 compared to 7.1 per cent in FY 2022-23.

Real GDP or GDP at constant prices in 2023-24 was estimated at Rs 171.79 lakh crore as against the provisional GDP estimate of 2022-23 of Rs 160.06 lakh crore (released on 31st May 2023). Growth in real GDP during 2023-24 was estimated at 7.3 per cent compared to 7.2 per cent in 2022-23. Nominal GDP or GDP at current prices in 2023-24 was estimated at Rs 296.58 lakh crore against the provisional 2022-23 GDP estimate of Rs 272.41 lakh crore. The gross non-performing asset ratio for scheduled commercial banks dropped to 3.2 per cent as of September 2023, following a decline from 3.9 per cent at the end of March 2023.

India's exports of goods and services were expected touch \$900 billion in 2023-24 compared to \$770 billion in the previous year despite global headwinds. Merchandise exports were expected to expand between \$495 billion and \$500 billion, while services exports were expected to touch \$400 billion during the year.

By January 2024, India's net direct tax collection rose by 19% to ₹14.71 lakh crore. The gross collection saw a 24.58% increase compared to the same period the previous year. Additionally, the gross GST collection reached ₹20.2 lakh crore, reflecting an 11.7% increase. The average monthly GST collection was ₹1,68,000 crore, exceeding the previous year's average of ₹1,50,000 crore.

The agriculture sector was expected to see a growth of 1.8 per cent in 2023-24, lower than the 4 per cent expansion recorded in 2022-23. Trade, hotel, transport, communication and services related to broadcasting segment are estimated to grow at 6.3 per cent in 2023-24, a contraction from 14 per cent in 2022-23. The Indian automobile segment was

expected to close FY 2023-24 with a growth of 6-9 per cent, despite global supply chain disruptions and rising ownership costs.

The construction sector was expected to grow 10.7 per cent year-on-year from 10 per cent in 2023-24. Public administration, defence and other services were estimated to grow by 7.7 per cent in 2023-24 compared to 7.2 per cent in FY2022-23. The growth in gross value added (GVA) at basic prices was pegged at 6.9 per cent, down from 7 per cent in 2022-23.

India reached a pivotal phase in its S-curve, characterized by acceleration in urbanization, industrialization, household incomes and energy consumption. India emerged as the fifth largest economy with a GDP of US\$3.6 trillion and nominal per capita income of INR 123,945 in 2023-24.

India's Nifty 50 index grew 30 percent in FY2023-24 and India's stock market emerged as the world's fourth largest with a market capitalization of US\$4 trillion. Foreign investment in Indian government bonds jumped in the last three months of 2023. India was ranked 63 among 190 economies in the ease of doing business, according to the latest World Bank annual ratings. India's unemployment declined to a low of 3.2% in 2023 from 6.1% in 2018.

Outlook

India withstood global headwinds in 2023 and is likely to remain the world's fastest-growing major economy on the back of growing demand, moderate inflation, stable interest rates and robust foreign exchange reserves. The Indian economy is anticipated to surpass USD 4 trillion in 2024-25.

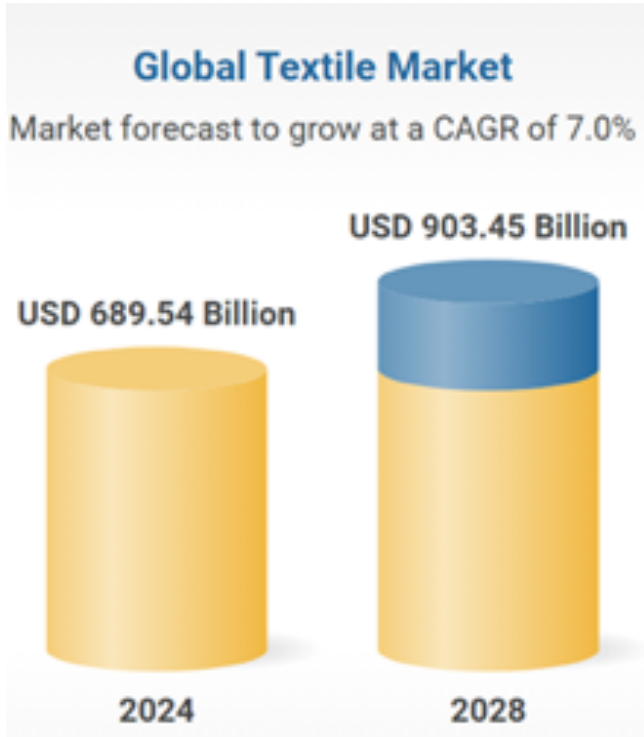
The global textile industry overview

The textile market size stood at US\$638.03 billion in 2023 and it is expected to be at US\$689.54 billion in 2024, growing at a year-on-year rate of 8.1%.

The U.S. textile market size stood at US\$ 259.15 billion in 2023 and is expected to reach USD 320.4 billion by 2030, growing at a CAGR of 3.1% during the forecasted period. Meanwhile, the Asia-Pacific textile market was estimated at US\$ 391.20 billion in 2024 and is expected to reach US\$ 443.72 billion by 2029, growing at a CAGR of 2.55% during 2024-2029.

The anticipated growth over the next five years can be attributed to factors such as the continued increase in global population and urbanization, the rapid expansion of e-commerce, heightened expenditure on leisure activities, the growing retail penetration, increased internet accessibility and smartphone usage. Notable trends expected include a shift towards digital textile printing inks that enhance garment attractiveness, a focus on utilising non-woven

fabrics, emphasis on the use of organic fibres, spotlight on sustainable fibres, integration of blockchain technology into manufacturing processes, adoption of digital platforms for textile supply chain management, collaboration with technology companies to design and develop smart fabrics, investment in robotics and automation and incorporation of artificial intelligence.



(Source: The Business Research Company, Grand View Research, Textile Insights, Mordor Intelligence Research and Markets, fibre2fashion.com)

The Indian textile industry overview

The Indian textile and apparel market size reached US\$ 197.2 billion in 2023. The textiles and apparel industry contributed 2.3% to the country's GDP, 13% to industrial production and 12% to exports. India contributed 4% share to the global trade of textile and apparel.

India's textile exports saw a drop for the second year in a row in FY 2023-24, with geopolitical tensions affecting the global economy. During this fiscal year, textile exports from India reached \$34.4 billion, down by more than \$1 billion and a 3% year-on-year decline from FY 2022-23. Furthermore, textile exports declined sharply by 16.3% when compared to FY 2021-22 when exports had been \$41 billion. Despite this downturn, there was a silver lining; cotton yarn, fabrics, made-ups, and handloom products delivered a year-on-year increase of \$740 million in exports in FY 2023-24.

North America stood as largest market for India's textile exports at \$11 billion. Europe came in second with \$10 billion, while exports to West Asia and North African countries amounted to \$4 billion.

The Western economy was marked by recessions in pockets leading to tentative consumer confidence. The Red Sea crisis, doubled freight costs.

The decline in textile exports began to stabilise, as the drop between FY23 and FY24 was less pronounced compared to the decrease in the previous year. In the readymade garments segment, which makes up 42% of the total textile exports, there was a 10% reduction in FY24 compared to the previous fiscal year.

India's Production Linked Incentive scheme proposes to incentivise MMF (man-made fiber) apparel, MMF fabrics and 10 segments of technical textiles products. Additionally, the expanding presence of e-commerce platforms and distribution networks dedicated to premium fabrics and apparel is contributing to a positive market outlook. Besides, growing consumer demand for durable or sustainable clothing and footwear, driven by increased awareness of the environmental damage caused by fast fashion, catalysed market growth in India.

The textile sector has witnessed substantial growth in recent years, owing to favourable government policies and increasing demand for Indian textiles globally. The industry was also catalysed by Make in India, Atmanirbhar Bharat, and Production Linked Incentives initiatives, which aim to promote domestic manufacture and exports.

(Source: CII, IMARC Group, Economic Times)

Outlook

Looking forward, the Indian textile market is projected to grow attractively, catalysed by increasing consumer demand for natural and manmade fabrics, domestically and internationally.

(Source: Textile Insights, Business Wire, IBEF, Invest India)

Opportunities

India's textile sector is especially strong because of the country's abundant supply of both natural and synthetic yarns and fibers. India's textile industry is capital-intensive and technologically sophisticated. On the other hand, China is expected to contribute up to US\$ 378 billion to the industry by 2025, making it the most attractive market, while India is predicted to contribute up to US\$ 121 billion, making it the second most attractive destination.

With the US textile market showing signs of revival, exports could improve. The Indian textile industry is anticipated to rebound in calendar year (CY) 2024 on the back of three tailwinds: consistent improvement in domestic demand, gradual recovery in exports and lower cotton prices.

The pre-season demand for the spring-summer season in the West is expected to propel the garment exports, strengthening the value chain. With better consumer demand, big retailers in the overseas markets will need to restock their respective inventories, accelerating order flows.

Cotton prices in India declined from their peak levels. An anticipated increase in cotton production during this cotton

season could keep cotton prices reasonable. The greater availability of cotton and lower prices could catalyse the domestic textile industry, which predominantly relies on natural fibers over synthetic.

(Source: CRISIL, Indian Textile Journal)

Growth drivers

Growing market: India's population is expected to reach 1.45 billion by 2030, providing a large market for textile products.

Increasing disposable incomes: India's middle class is growing and so are disposable incomes, expected to increase demand for quality textile products.

Export potential: India ranks as one of the world's largest exporters of textiles and the trend is expected to continue. India's textile exports could grow attractively across the coming years.

Increased government support: The Indian government has taken several actions to advance the nation's technical textile industry in response to perceived constraints in the conventional textile sector. In important strategic sectors such as specialised fibre, protective textiles, high-performance textiles, geotextiles, medical textiles, sustainable textiles, and textiles for building materials, India's Ministry of Textiles approved 33 research and development projects. Besides, the initiation of RoSCTL scheme, PM MITRA and National Technical Textiles Mission (NTTM) by the Indian government are expected to catalyse the demand for textiles.

Technology adoption: The adoption of advanced technologies such as automation, robotics, and digitalisation in textile manufacturing processes could improve efficiency, reduce costs, and enhance product quality and drive growth in the industry.

Infrastructure development: Investments in infrastructure development, including textile parks, improved logistics, and connectivity, facilitate the growth of the textile industry.

PLI Scheme: The Production Linked Incentive (PLI) scheme for textiles targets 40 man-made fibre (MMF) garment items, 14 MMF fabric products, and 10 technical textile items. The government allocated Rs. 10,683 cr. in 2023 to this scheme to stimulate domestic manufacturing, create employment opportunities, and increase textile exports.

(Source: Technical Textile.com, PIB)

Government initiatives

RoSCTL scheme: The RoSCTL scheme was initially introduced to offset embedded State and Central taxes and levies on garment and made-up exports, which has been extended in line with the government's objective to enhance competitiveness. The Budget allocation was Rs. 9,246 cr. for FY 2024-25.

100% FDI: This has been permitted by the government in the textile sector through the automatic route.

PM MITRA: The government launched the PM Mega Integrated Textile Region and Apparel (PM MITRA) Parks Scheme to develop superior infrastructure with an outlay of Rs. 4,445 cr up to 2027-28. The PM MITRA Parks Scheme was inspired by the 5F Vision (Farm to Fibre to Factory to Fashion to Foreign) and expects to generate around Rs. 70,000 cr. investment.

Increased allocation: The government increased the Budget allocation for textile sector by 27.60% to Rs. 4,392.85 cr. for 2024-25.

National Technical Textiles Mission (NTTM): Furthermore, the Government launched a National Technical Textiles Mission (NTTM) with an outlay of Rs. 1,480 cr. The key pillars of NTTM include 'Research Innovation & Development', 'Promotion and Market Development', 'Education, Training and Skilling' and 'Export Promotion'. The focus of the Mission is for developing the use of technical textiles in flagship missions and programmes including strategic sectors.

(Source: PIB, Fibre2fashion, The Hindu, Business Standard)

Key financial ratios

Particulars	31.03.2024	31.03.2023	Change in %	Reason*
Debtors' turnover ratio (days)	6.22	7.65	-17.39	-
Inventory turnover ratio (days)	54.46	46.15	19.64	-
Interest coverage ratio	2.99	1.51	-36.91	Due to completion of the expansion amounting to Rs. 131 Crores the long term debt has increased
Current ratio	0.95	0.94	1.06	-
Debt/equity ratio	2.09	1.50	39.33	Due to completion of the expansion amounting to Rs. 131 Crores the long term debt has increased
Operating profit margin (%)	6.78	8.26	-17.92	-
Net profit margin (%)	0.86	3.47	-74.32	Due to adverse market conditions margins are under severe pressure
Return on net worth (%)	2.42	8.64	-75.46	Due to adverse market conditions margins are under severe pressure

*(If more than 25% change)

Threats, risks and concerns

The Company is exposed to risks like fluctuation in interest rates, vulnerability to foreign exchange movement, and changes in the price of petroleum and raw materials. The Company is exposed to regulatory risks like shifts in government import and export policies.

Electricity accounts for 13% to 15% of the total manufacturing costs in spinning yarn. The Company commissioned 5 MW solar panels in its Udaipur production facility to reduce costs and decarbonize.

The Company has designed manufacturing processes to optimize capacities and resources, any interruption could impact operations.

Segment-wise and product-wise performance

Since yarn is the Company's main business segment, no other segment-specific data is offered. The Company exports yarn made in India; it does not engage in any other business.

(in Rs.)

Revenue from operations	2023-24	2022-23
Export income	19,656.91	21,316.05
Domestic income	15,938.65	14,489.12
Total	35,595.55	35,805.17

Internal control system and adequacy

To prevent asset loss, unlawful use, or disposal, the Company has implemented an appropriate internal control system that is in line with its size and kind of business. Every transaction has been duly approved, documented, and reported to management. To correctly maintain the books of accounts and report financial statements, the Company complies with all applicable accounting standards. The Company's internal auditor monitors and validates the internal control system in compliance with the policy that the Company has implemented. Corrective action is implemented in response to the internal audit findings, which are reported to the department heads, the statutory auditor, and the audit committee of the Board of Directors. The audit committee is presented with the audit observations and the management's comments. The Company considers its

internal financial control system to be well-designed and functioning as planned.

Human resource

The Company understands that its workers are a vital resource essential to its expansion. The organisation is committed to finding, keeping, and developing exceptional team players. The Company has further structured its performance management system around an inclusive growth philosophy.

The system emphasizes the significance of organisational goals while concentrating on the advancement of individual personnel. The emphasis on multiskilling and job rotation has intensified under this approach. The Company's human resources department is dedicated to helping workers grow, with a focus on output, quality, and customer satisfaction. The Company constantly offers in-house training to its staff to retain a skilled workforce. In addition, it deposes them to training institutes and machinery manufacturers for specialized training as and when needed.

The organisation has a sophisticated management information system that gives all management levels access to the necessary data. These reports are regularly examined, and the corporation takes appropriate actions to enhance workforce productivity and efficiency.

In the fiscal year under review, the Company employed 2211 people. Including expert and unskilled manpower.

Cautionary statement

Statements in the Board's Report and the Management Discussion and Analysis describing the Company's objectives, expectations or predictions may be forward-looking within the meaning of applicable securities laws and regulations. Actual results may differ materially from those expressed in the statement. Crucial factors that could influence the Company's operations include global and domestic demand and supply conditions affecting selling prices, new capacity additions, availability of critical materials and their cost, changes in government policies and tax laws, economic development of the country and other factors that are material to the business operations of the Company.

Annexure: 8

REPORT ON CORPORATE GOVERNANCE

In accordance with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and some of the best practices followed internationally on Corporate Governance, the following report on governance lays down the ethos of Reliance Chemotex Industries Ltd. ("RCIL" or "the Company") and its commitment to conduct business in accordance with sound Corporate Governance practices.

COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Pursuant to Regulation 34 of the Listing Regulations and Companies Act, 2013 ("Act"), the report contains the details of the Corporate Governance system and process at the Company. We believe in adopting well-accepted Corporate Governance practices, benchmark the same to the best-governed companies and strive to improve them continuously.

Our Corporate Governance is a reflection of our value system encompassing our culture, policies and relationships with our stakeholders. Integrity and transparency are key to our Corporate Governance practices and performance and we ensure that we gain and retain the trust of stakeholders at all times. Our guiding principles and practices are summarized in this Corporate Governance Report. The Board of Directors of the Company ("Board") is at the core of our Corporate Governance practices and oversees how the management serves and protects the long-term interests of our stakeholders. Our Corporate Governance framework ensures that the Company makes timely disclosures and shares accurate information regarding our financials, performance and other material events.

Our Corporate Governance philosophy and practices are based on the following principles:

- Appropriate Composition of the Board where every member has expertise in their domain.
- Availability of information to the members of the Board and Committees enabling them to discharge their fiduciary duties.

- Timely disclosure of material, operational, and financial information to the stakeholders.
- Proper business is conducted by the Board and Senior Management.
- Systems and processes are in place for internal control.

BOARD OF DIRECTORS

a) COMPOSITION OF THE BOARD

The Board is broad-based and consists of eminent personalities from Industrial, Managerial, Technical, Financial and Marketing backgrounds. The Company is managed by the Board in coordination with the Senior Management Team. The composition and strength of the Board are reviewed from time to time to ensure that it remains aligned with statutory as well as business requirements. The Company has a Judicious Combination of Executive and Non-Executive Directors. As on March 31, 2024, the Board is comprised of eight (8) Directors out of which three (3) are Executive Directors, three (3) are Independent Directors and two (2) are Non-Executive Directors of which one (1) is a Woman Director. The Chairperson of the Board is an Independent Director of the Company. The composition of the Board is in conformity with the applicable provisions of the Listing Regulations and the Act.

b) NUMBER OF BOARD MEETINGS

During the financial year 2023-24, the Board met five (5) times i.e. on May 26, 2023, August 11, 2023, November 09, 2023, February 14, 2024 and March 30, 2024.

The composition of the Board, attendance of the Directors at the Board meetings and the Annual General Meeting (AGM) held during the period from April 1, 2023 to March 31, 2024 and the number of Board/ Committees of other companies in which the Director is a member or chairperson as on March 31, 2024, are as under:

Name of Director(s), Director Identification Number (DIN)	Nature of Directorship	Attendance at Board Meetings	Attendance at Last AGM held on September 21, 2023	Number of Directorships and Number of Committee Memberships/ Chairmanships			Inter-se Relationship	No. of Shares held along with % to the paid-up share capital of the Company ³
				Directorships ¹	Committee Memberships ²	Committee Chairmanships ²		
Mr. Ramadoss Srinivasan ⁴ (DIN: 00235831)	Non-Executive - Independent Director, Chairperson	5 of 5	Yes	1	1	-	-	Nil
Mr. Sanjiv Shroff (DIN: 00296008)	Executive Director, Managing Director/ Promoter	5 of 5	Yes	6	1	-	Related to: Mrs. Dipika Shroff (Wife), Mr. Rahul Shroff (Son), Mr. Ameya Shroff (Son)	1,61,180, (2.14%)
Mrs. Dipika Shroff ⁵ (DIN: 00226941)	Non-Executive - Non Independent Director/ Promoter Group	5 of 5	Yes	3	-	-	Related to: Mr. Sanjiv Shroff (Husband), Mr. Rahul Shroff (Son), Mr. Ameya Shroff (Son)	2,31,150, (3.06%)
Mr. Rahul Shroff (DIN: 02301693)	Executive Director/ Promoter Group	4 of 5	Yes	6	-	-	Related to: Mr. Sanjiv Shroff (Father), Mrs. Dipika Shroff (Mother), Mr. Ameya Shroff (Brother)	3,68,780, (4.89%)
Mr. Ameya Shroff (DIN: 05315616)	Executive Director/ Promoter	5 of 5	Yes	3	-	-	Related to: Mr. Sanjiv Shroff (Father), Mrs. Dipika Shroff (Mother), Mr. Rahul Shroff (Brother)	1,24,000, (1.64%)
Mr. Nand Gopal Khaitan (DIN: 00020588)	Non-Executive - Non Independent Director/ Promoter	4 of 5	Yes	11	5	3	-	100, (0.00%)
Mr. Narayan Shroff ⁶ (DIN: 05207412)	Non-Executive - Independent Director	5 of 5	Yes	2	1	1	-	50, (0.00%)
Mr. Ram Niwas Sharma (DIN: 00368947)	Non-Executive - Independent Director	5 of 5	Yes	3	1	1	-	Nil

1. The directorship, held by Directors, as above includes the directorship of RCIL and other public and private companies.
2. Committees considered for the purpose are those prescribed under the Listing Regulations viz. Audit Committee and Stakeholders' Relationship Committee of other Indian Public/Private Companies Including RCIL.
3. As per the shareholding pattern as on March 31, 2024.
4. Mr. Ramadoss Srinivasan ceased to be an Independent Director of the Company, upon completion of his second term with effect from the close of business hours on March 31, 2024 and also ceased to be a Chairperson of the Board with effect from the close of business hours on March 31, 2024.
5. Mrs. Dipika Shroff vide letter dated March 31, 2024, has tendered her resignation as a Non-Executive - Non Independent Director of the Company, with effect from the close of business hours on March 31, 2024 citing personal and unavoidable circumstances.
6. Mr. Narayan Shroff ceased to be an Independent Director of the Company, upon completion of his second term with effect from the close of business hours on March 31, 2024 and also ceased to be an occupier of the Plant located at Village Kanpur, Post Box No.73, Udaipur, Rajasthan, 313003 with effect from the close of business hours on March 31, 2024.

None of the Directors of the Company is a Member on more than ten (10) committees or Chairperson of more than five (5) committees across all the Companies in which they are Directors and the necessary disclosures in this regard have been made by them.

Names of other listed entities where a Director of the Company is a Director and the category of Directorship as on March 31, 2024:

Name of Director	Name of Listed entities in which he/she holds Directorship	Category of Directorship
Mr. Nand Gopal Khaitan	Agi Greenpac Limited	Independent Director
	Mangalam Cement Limited	Independent Director
	JK Lakshmi Cement Limited	Independent Director
	Hindware Home Innovation Limited	Independent Director
	Shyam Metalics and Energy Limited	Independent Director

Except Mr. Nand Gopal Khaitan, none of the other Directors hold any directorship in any other listed entity.

c) MEETING OF INDEPENDENT DIRECTORS

During the financial year 2023-24, the Independent Directors met on May 26, 2023. At such meeting, the Independent Directors, *inter alia*, discussed and reviewed the performance of Non-Independent Directors, the Board as a whole, Chairperson of the Company, taking into account the views of executive directors and non-executive directors and assessed the quality, quantity and timeliness of flow of information between the Company's management and the Board that is necessary for the Board to perform its duties effectively and reasonably, succession planning of the Independent Directors of the Board.

The details of the meeting held during the financial year 2023-24 and the meeting attended by the Independent Directors of the Company, are detailed below:

Name of Independent Director(s)	Number of Meetings	
	Held	Attended
Mr. Ramadoss Srinivasan	1	1
Mr. Narayan Shroff	1	1
Mr. Ram Niwas Sharma	1	1

BOARD INDEPENDENCE

The Company has received declarations from the Independent Directors that they meet the criteria of Independence stipulated under Section 149 of the Act read with Rule 5 of the Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulations 16(1)(b), 25(1) and 25(8) of the Listing Regulations. The Independent Directors have also confirmed that they have registered themselves with the Independent Director's Database maintained by the Indian Institute of Corporate Affairs.

The Independent Directors under Regulation 25(8) of the Listing Regulations have confirmed that they are not aware of any circumstance or situation, which exists or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective, independent judgement and without any external influence.

Based on the declaration(s) received from the Independent Directors, in the opinion of the Board, all the Independent Directors satisfy the criteria of independence as defined under the Act, rules framed thereunder and the Listing Regulations, and that they are independent of the Management of the Company.

A formal letter of appointment to Independent Directors as provided in the Act has been issued and the same is available in the Investors section on the website of the Company at <http://www.reliancechemotex.com/reports/miscellaneous-reports/>

During the year under review, there is no instance of the resignation of an Independent Director.

FAMILIARIZATION PROGRAMME FOR INDEPENDENT DIRECTORS

The Company has designed a Familiarisation Programme for its Independent Directors which is imparted at the time of appointment of an Independent Director on Board as well as during the year. The Programme aims to provide insights into the Company to enable the Independent Directors to understand its business in depth, to acclimatise them with the processes, business and functionalities of the Company and to assist them in performing their role as Independent Directors of the Company and also provide an in-depth perspective on various aspects of the Company's business and ways-of-working.

Apart from the above, the Board also discusses various business strategies periodically. This deepens the Independent Directors' understanding and appreciation of the Company's business and thrust areas. Further, the Company also provides periodic insights and updates to the entire Board, including Independent Directors and other Non-Executive Directors, regarding business, human capital management, technology, etc.

The details of such familiarisation programme for Independent Director(s) can be accessed on the Company's

website at <https://reliancechemotex.com/wp-content/uploads/2024/04/organized.pdf>

SKILLS / EXPERTISE / COMPETENCIES OF THE BOARD OF DIRECTORS

The Board comprises of qualified members who possess required skills, expertise and competencies that allow them to make effective contributions to the Board and its Committees.

The following skills / expertise / competencies have been identified/ available with the Board for the effective functioning of the Company:

- Governance skills (i.e. Skills directly relevant to performing the Board's key functions);
- Industry skills (i.e. Skills relevant to the industry or section in which the organization pre-dominantly operates);
- Personal attributes or qualities that are generally considered desirable to be an effective Director;
- Technical skills/experience in accounting/ finance/ government or public policy/ economy/ human resource management/ strategy development and implementation/ capital planning;
- Governance competencies like Director in large organization, compliance focus, leadership, risk management experience and business judgment.

The table below highlights the Core Areas of Expertise/ Skills/ Competencies of the Board members. However, absence of mention of a skill/expertise/competency against a member's name does not necessarily indicate that the member does not possess that competency or skill.

Sr. No.	Name of Director(s)	Skill/Expertise/Competency				
		Governance skills	Industry skills	Personal attributes or qualities	Technical skills/ experience	Governance competencies
1	Mr. Ramadoss Srinivasan	√	√	√	√	√
2	Mr. Sanjiv Shroff	√	√	√	√	√
3	Mrs. Dipika Shroff	√	√	√	√	√
4	Mr. Rahul Shroff	√	√	√	√	√
5	Mr. Ameya Shroff	√	√	√	√	√
6	Mr. Nand Gopal Khaitan	√	√	√	√	√
7	Mr. Narayan Shroff	√	√	√	√	√
8	Mr. Ram Niwas Sharma	√	√	√	√	√

COMMITTEES OF THE BOARD

In compliance with the statutory requirements, the Board has constituted various committees with specific terms of reference and scope. The objective is to focus effectively on the issues and ensure expedient resolution of the diverse matters.

As on March 31, 2024, the Company had four (4) Committees of the Board, namely, Audit Committee, Nomination & Remuneration Committee, Stakeholders Relationship Committee and Finance Committee.

AUDIT COMMITTEE

As on March 31, 2024, the Audit Committee comprised of four (4) members, three (3) being Non-Executive Independent Directors and one (1) being Non-Executive Non-Independent Director. Mr. Ram Niwas Sharma, Independent Director is the Chairperson of the Audit Committee.

The composition of the Audit Committee meets the requirements of Section 177 of the Act and Regulation 18 of the Listing Regulations.

The Company Secretary acts as the Secretary to the Audit Committee. The Chairperson of the Audit Committee,

Mr. Ram Niwas Sharma, was present at the 45th AGM of the Company held on September 21, 2023.

All the members are financially literate and possess the requisite financial/ business acumen to specifically look into the internal controls and audit procedures. Members have discussions with the Statutory Auditor during the meetings of the Committee and the quarterly/ half-yearly and annual audited financials of the Company are reviewed by the Audit Committee before consideration and approval by the Board.

The Committee also invites other Directors who are not members of the Committee, to attend the meeting as invitees as and when required.

During the financial year 2023-24, the Audit Committee met four (4) times i.e. on May 26, 2023, August 11, 2023, November 09, 2023 and February 14, 2024. The composition of the Audit Committee along with the details of the meetings held during the financial year 2023-24 and the attendance of the members, are detailed below:

Name of Member(s)	Category	Nature of Membership	Number of Meetings	
			Held	Attended
Mr. Ram Niwas Sharma	Independent Director	Chairperson	4	4
Mr. Narayan Shroff	Independent Director	Member	4	4
Mr. Ramadoss Srinivasan	Independent Director	Member	4	4
Mr. Nand Gopal Khaitan	Non-Executive Director	Member	4	4

THE CHARTER OF THE AUDIT COMMITTEE, INTER ALIA, ARTICULATES ITS ROLE, RESPONSIBILITIES AND POWERS AS FOLLOWS:

A. The role of the audit committee shall include the following:

1. oversight of the listed entity's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. recommendation for appointment, remuneration and terms of appointment of auditors of the listed entity;
3. approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
 - a) matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Act;
 - b) changes, if any, in accounting policies and practices and reasons for the same;
 - c) major accounting entries involving estimates based on the exercise of Judgment by management;
 - d) significant adjustments made in the financial statements arising out of audit findings;
 - e) compliance with listing and other legal requirements relating to financial statements;
 - f) disclosure of any related party transactions;
 - g) modified opinion(s) in the draft audit report;
5. reviewing, with the management, the quarterly financial statements before submission to the board for approval;
6. reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public issue or rights issue or preferential issue or qualified institutions placement, and making appropriate recommendations to the board to take up steps in this matter;
7. reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
8. approval or any subsequent modification of transactions of the listed entity with related parties;
9. scrutiny of inter-corporate loans and investments;
10. valuation of undertakings or assets of the listed entity, wherever it is necessary;
11. evaluation of internal financial controls and risk management systems;
12. reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
13. reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
14. discussion with internal auditors of any significant findings and follow up there on;

15. reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
16. discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
17. to look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
18. to review the functioning of the whistle blower mechanism;
19. approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
20. Carrying out any other function as is mentioned in the terms of reference of the audit committee.
21. reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision.
22. consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the Company and its shareholders.

B. The audit committee shall mandatorily review the following information:

1. Management discussion and analysis of financial condition and results of operations;
2. management letters / letters of internal control weaknesses issued by the statutory auditors;

3. internal audit reports relating to internal control weaknesses; and
4. the appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.
5. statement of deviations:
 - a) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of the Listing Regulations.
 - b) annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7) of the Listing Regulations.

NOMINATION & REMUNERATION COMMITTEE

As on March 31, 2024, the Nomination and Remuneration Committee comprised of three (3) members, all of whom are Non-Executive Independent Directors. Mr. Narayan Shroff, Independent Director, is the Chairperson of the Nomination and Remuneration Committee.

The composition of the Nomination and Remuneration Committee meets the requirements of Section 178 of the Act and Regulation 19 of the Listing Regulations.

The Company Secretary acts as the Secretary to the Nomination and Remuneration Committee. The Chairperson of the Nomination and Remuneration Committee, Mr. Narayan Shroff, was present at the 45th AGM of the Company held on September 21, 2023.

During the financial year 2023-24, the Nomination and Remuneration Committee met three (3) times i.e. on May 26, 2023, November 09, 2023 and March 30, 2024. The composition of the Nomination and Remuneration Committee along with the details of the meetings held during the financial year 2023-24 and the attendance of the members, are detailed below:

Name of Member(s)	Category	Nature of Membership	Number of Meetings	
			Held	Attended
Mr. Narayan Shroff	Independent Director	Chairperson	3	3
Mr. Ram Niwas Sharma	Independent Director	Member	3	3
Mr. Ramadoss Srinivasan	Independent Director	Member	3	3

THE CHARTER OF THE NOMINATION AND REMUNERATION COMMITTEE AND PROVISIONS OF THE LISTING REGULATIONS, INTER ALIA, ARTICULATES ITS ROLE, RESPONSIBILITIES AND AUTHORITY AS FOLLOWS:

1. formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating

to, the remuneration of the directors, key managerial personnel and other employees;

2. For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director

shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:

- a) use the services of an external agencies, if required;
 - b) consider candidates from a wide range of backgrounds, having due regard to diversity; and
 - c) consider the time commitments of the candidates.
3. formulation of criteria for evaluation of performance of independent directors and the board of directors;
 4. devising a policy on diversity of board of directors;
 5. identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal.
 6. whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.
 7. recommend to the board, all remuneration, in whatever form, payable to senior management.

PERFORMANCE EVALUATION CRITERIA FOR INDEPENDENT DIRECTORS

The performance evaluation criteria for independent directors is determined by the Nomination and Remuneration Committee. An indicative list of factors on which evaluation

was carried out includes participation and contribution by a director, commitment, effective deployment of knowledge and expertise, integrity and maintenance of confidentiality and independence of behaviour and judgment.

STAKEHOLDERS RELATIONSHIP COMMITTEE

As on March 31, 2024, the Stakeholders Relationship Committee comprised of three (3) members, two (2) being Non-Executive Independent Directors and one (1) being Executive Director. Mr. Narayan Shroff, Independent Director is the Chairperson of the Stakeholders Relationship Committee.

The composition of the Stakeholders Relationship Committee meets the requirements of Section 178 of the Act and Regulation 20 of the Listing Regulations.

The Company Secretary acts as the Secretary to the Stakeholders Relationship Committee. The Chairperson of the Stakeholders Relationship Committee, Mr. Narayan Shroff, was present at the 45th AGM of the Company held on September 21, 2023.

During the financial year 2023-24, the Stakeholders Relationship Committee met four (4) times i.e. on May 26, 2023, August 11, 2023, November 09, 2023 and February 14, 2024. The composition of the Stakeholders Relationship Committee along with the details of the meetings held during the financial year 2023-24 and the attendance of the members, are detailed below:

Name of Member(s)	Category	Nature of Membership	Number of Meetings	
			Held	Attended
Mr. Narayan Shroff	Independent Director	Chairperson	4	4
Mr. Sanjiv Shroff	Executive Director	Member	4	4
Mr. Ram Niwas Sharma	Independent Director	Member	4	4

THE CHARTER OF THE STAKEHOLDERS RELATIONSHIP COMMITTEE AND PROVISIONS OF THE LISTING REGULATIONS, INTER ALIA, ARTICULATES ITS ROLE, RESPONSIBILITIES AND AUTHORITY AS FOLLOWS:

- Resolving the grievances of the security holders of the Company including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
- Review of measures taken for effective exercise of voting rights by shareholders.
- Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent.

- Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.

NAME, DESIGNATION AND ADDRESS OF THE COMPLIANCE OFFICER

Mr. Utkarsh Gaur,
 Company Secretary & Compliance Officer
 Reliance Chemotex Industries Ltd.
 Village Kanpur, Post Box No.73, Udaipur – 313003, Rajasthan
 Ph. No. 0294-2490488, 2491489, 2491490; Fax No. : 0294-2490067
 E-mail: shareholders@reliancechemotex.com
 Website: www.reliancechemotex.com

SHAREHOLDERS/INVESTORS COMPLAINTS RECEIVED AND REDRESSED

Securities and Exchange Board of India (SEBI) administers a centralized web based complaints redress system (SCORES). It enables investors to lodge and follow-up complaints and track the status of redressal online on the website of SEBI at www.scores.gov.in. The Company has registered itself on

SCORES and endeavours to resolve all investor complaints received through SCORES.

The Company gives utmost priority to the interests of the investors. All the requests/complaints of the shareholders have been generally resolved to the satisfaction of the shareholders within the statutory time limits.

Quarter-wise Summary of Investors Complaints received and resolved during the financial year 2023-24:

Quarter ended on	Number of Complaints Received	Number of Complaints Resolved	Number of Complaints Pending to be Resolved
30.06.2023	2	2	0
30.09.2023	0	0	0
31.12.2023	0	0	0
31.03.2024	0	0	0
Total	2	2	0

FINANCE COMMITTEE

For various day-to-day requirements and to facilitate seamless operations, the Company has formed a functional committee known as Finance Committee. The Finance Committee meets as and when deems necessary to cater to the day-to-day requirements of the Company. The Finance Committee normally discuss matters like acceptance of sanction letters from banks, executing the required documents in respect of loans/ limits granted by banks and approval of any other financial decisions, etc.

During the financial year 2023-24, the Finance Committee met seven (7) times i.e. on April 24, 2023, July 28, 2023, September 06, 2023 (two meetings held), November 27, 2023, January 16, 2024 and March 06, 2024. The composition of the Finance Committee along with the details of the meetings held during the financial year 2023-24 and the attendance of the members, are detailed below:

Name of Member(s)	Category	Nature of Membership	Number of Meetings	
			Held	Attended
Mr. Sanjiv Shroff	Executive Director	Member	7	7
Mr. Rahul Shroff	Executive Director	Member	7	7
Mr. Ram Niwas Sharma	Independent Director	Member	7	7

SENIOR MANAGEMENT

Particulars of senior management including the changes therein since the close of the previous financial year are as follows:

Name of Senior Management Personnel ("SMP")	Designation	Changes if any, since the previous financial year (Yes / No)	Nature of change and effective date
Mr. Vinay Srivastav	President	No	-
Mr. Chandrasekaran Rajagopalan	Chief Financial Officer	No	-
Mr. Utkarsh Gaur	Company Secretary & Compliance Officer	No	-
Mr. Birendra Bahadur Singh	Vice President - P&A	No	-
Mr. Pankaj Kothari	Vice President - Finance	No	-
Mr. Vinod Kumar Joshi	Vice President - R&D	Yes	Ceased as SMP w.e.f. July 04, 2023
Mr. Surendra Singh Chundawat	Vice President - Administration	Yes	Ceased as SMP w.e.f. February 29, 2024

DETAILS OF REMUNERATION PAID TO DIRECTORS DURING THE FINANCIAL YEAR 2023-24

Pecuniary relationship or transactions of the non-executive directors with the Company:-

Except for the sitting fees payable to the Non-Executive Directors in accordance with the applicable laws and with the approval of the Board, there is no pecuniary or business relationship between the Non-Executive Directors and the Company.

Mr. Nand Gopal Khaitan, Non-Executive - Non Independent Director of the Company, is the Partner of Khaitan and Co. LLP, Solicitors & Advocates, from which the Company takes professional services. For details pertaining to transactions with Khaitan and Co. LLP during the financial year 2023-24, refer Note no. 53 to the financial statements of the Company forming part of this Annual Report.

The quantum of fees paid to Khaitan and Co. LLP is an insignificant portion of their total revenue, thus, Khaitan and Co. LLP, is not construed as having any material association with the Company.

Non-Executive Director:-

The Non-Executive Directors add significant value to the Company through their contribution to the Management of the Company and thereby play an appropriate control role in safeguarding the interests of the stakeholders at large. They bring in their vast experience and expertise on the deliberations at the RCIL's Board and its Committees.

The Company, therefore, has a structure for remuneration to Non-Executive Directors, based on certain financial parameters like the performance of the Company, its market capitalization, etc., and other parameters viz. industry benchmarks, role of the Director and such other relevant factors. Non-Executive Directors are entitled to receive remuneration by way of sitting fees as may be approved by the Board for attending Board/Committee(s) meetings, reimbursement of expenses for participation in meetings.

The criteria of making payments to Non-Executive Directors are disclosed in the Policy and the same is available on Company's website at <https://reliancechemotex.com/wp-content/uploads/2022/12/Nomination-Remuneration-Policy.pdf>

The total sitting fees paid during the financial year 2023-24 was Rs. 16,85,000/- and the details of which are as follows:-

Name of Director(s)	Sitting fees Paid (in Rs.)	
	Board Meetings	Committee(s) Meetings
Mr. Ramadoss Srinivasan	2,50,000	1,15,000
Mrs. Dipika Shroff	2,50,000	-
Mr. Nand Gopal Khaitan	2,00,000	1,00,000
Mr. Narayan Shroff	2,50,000	1,35,000
Mr. Ram Niwas Sharma	2,50,000	1,35,000

Executive Directors:-

The Whole-time Director/ Managing Director shall be eligible for remuneration as may be approved by the shareholders of the Company on the recommendation of the Nomination and Remuneration Committee and the Board. The break-up of the pay scale, performance bonus and quantum of perquisites including employer's contribution to P.F, pension scheme, medical expenses, club fees etc. shall be decided and approved by the Board on the recommendation of the Nomination and Remuneration Committee and shall be within the overall remuneration approved by the shareholders.

If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Whole-time Director/Managing Director, in accordance with the provisions of the Act.

The Nomination and Remuneration Policy is displayed on the Company's website at i.e. <https://reliancechemotex.com/wp-content/uploads/2022/12/Nomination-Remuneration-Policy.pdf>

The details of remuneration paid to Directors for the financial year 2023-24 are given below:

Name of Director(s)	Basic Salary (₹)	Ex- gratia (₹)	Allowances (₹)	Commis-sion (₹)	Variable pay (₹)	Total (₹)	Service Contract (in Years)	Period	Notice period And Severance Fees
Mr. Sanjiv Shroff	63,00,000	12,60,000	34,80,000	-	-	1,10,40,000	3	01.09.2023 to 31.08.2026	6 Month Notice & 3 Month salary in lieu thereof
Mr. Rahul Shroff	57,00,000	11,40,000	33,03,000	-	-	1,01,43,000	3	26.09.2021 to 25.09.2024	6 Month Notice & 3 Month salary in lieu thereof
Mr. Ameya Shroff	54,00,000	10,80,000	24,60,000	-	-	89,40,000	3	01.08.2022 to 31.07.2025	6 Month Notice & 3 Month salary in lieu thereof

GENERAL BODY MEETINGS

Details of the last three Annual General Meetings:

Financial Year(s)	Venue	Day & Date	Time	Nature of Special Resolutions Passed
2022-23	Video Conferencing/ Other Audio Visual Means (Deemed venue: Registered Office of the Company situated at Village Kanpur, Post Box No.73, Udaipur – 313003, Rajasthan)	Thursday, September 21, 2023	11.00 A.M. (IST)	<ul style="list-style-type: none"> ▪ Re-appointment of Mr. Sanjiv Shroff (DIN: 00296008) as Managing Director of the Company ▪ Alteration of Articles of Association of the Company with respect to removal of Common Seal clause
2021-22	Video Conferencing/ Other Audio Visual Means (Deemed venue: Registered Office of the Company situated at Village Kanpur, Post Box No.73, Udaipur – 313003, Rajasthan)	Tuesday, September 27, 2022	11.00 A.M. (IST)	<ul style="list-style-type: none"> ▪ Re-appointment of Mr. Ameya Shroff (DIN: 05315616) as Whole-time Director designated as Executive Director of the company
2020-21	Video Conferencing/ Other Audio Visual Means (Deemed venue: Registered Office of the Company situated at Village Kanpur, Post Box No.73, Udaipur – 313003, Rajasthan)	Monday, August 16, 2021	10:45 A.M. (IST)	None

DETAILS OF SPECIAL RESOLUTION PASSED LAST YEAR THROUGH POSTAL BALLOT – DETAILS OF VOTING PATTERN

During the year under review, the Company did not pass any special resolution through postal ballot.

SPECIAL RESOLUTIONS PROPOSED TO BE CONDUCTED THROUGH POSTAL BALLOT

The below-mentioned special resolution is proposed to be conducted through postal ballot:

Sr. No.	Description of resolutions
1.	Appointment of Mrs. Sruthy Sreerag Nath (DIN: 10479724) as an Independent Director of the Company for a period of 5 (five) years
2.	Appointment of Mr. Amit Sushilkumar Saboo (DIN: 05311484) as an Independent Director of the Company for a period of 5 (five) years
3.	Appointment of Mr. Vijay Kumar Nagar (DIN: 10552319) as a Director (Non-executive, Non-independent) of the Company

PROCEDURE FOR POSTAL BALLOT

The Postal Ballot was conducted in compliance with Section 108 and 110 of the Act, read with Rule 20 and 22 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of the Listing Regulations and in accordance with the guidelines prescribed by the Ministry of Corporate Affairs for holding General Meetings/ conducting Postal Ballot process, vide General Circulars Nos. 14/2020 dated April 08, 2020, 17/2020 dated April 13, 2020, 20/2020 dated May 20, 2020, 22/2020 dated June 15, 2020, 33/2020 dated September 28, 2020, 39/2020 dated December 31, 2020, 10/2021 dated June 23, 2021, 20/2021 dated December 08, 2021, 03/2022 dated May 05, 2022, 11/2022 dated December 28, 2022 and 09/2023 dated September 25, 2023.

The Company engaged the services of National Securities Depository Limited ("NSDL") for the purpose of providing electronic voting facility to all its members.

The Postal Ballot Notice was sent to the members in electronic form at their email addresses registered with the depositories/Company's Registrar and Share Transfer Agent. The Company also published a notice in the newspapers declaring the details of completion of dispatch, e-voting details and other requirements in terms of the Act read with the Rules issued thereunder and the Secretarial Standards issued by the Institute of Company Secretaries of India. Voting rights were reckoned on the paid-up value of shares of the Company registered in the names of the shareholders as on the cut-off date.

MEANS OF COMMUNICATION

The Company promptly discloses information on material corporate developments and other events as required under the Listing Regulations. Such timely disclosures indicate the good corporate governance practices of the Company. For this purpose, it provides multiple channels of communications through dissemination of information on the online portal of the Stock Exchanges, Press Releases, the Annual Reports and by placing relevant information on its website.

i. Publication of financial results:

Quarterly, half-yearly and annual financial results of the Company are published in English and Hindi language newspapers, viz., Financial Express (English) and Jai Rajasthan (Hindi).

ii. Website and Press Release:

In compliance with Regulation 46 of the Listing Regulations, the Company's website gives information on various announcements made by the Company, the status of unclaimed dividend, Annual Report, Quarterly/ Half-yearly/Nine-months and Annual financial results along with the applicable policies of the Company. Quarterly Compliance Reports on Corporate Governance, presentations made to institutional investors or to the analysts, if any, and other relevant information

of interest to the Investors are also placed under the Investors Section on the Company's website at <https://reliancechemotex.com/reports/financial-reports/>

iii. Stock Exchange:

The Board of Directors has approved a Policy for determining materiality of events for the purpose of making disclosure to the Stock Exchanges. The Chief Financial Officer and Company Secretary & Compliance Officer are empowered to decide on the materiality of information for the purpose of making disclosures to the Stock Exchanges.

The Company makes timely disclosures of necessary information to BSE Limited (BSE) and National Stock Exchange of India Limited (NSE), where equity shares of the Company are listed, in terms of the Listing Regulations and other applicable rules and regulations issued by the SEBI.

The financial results of the Company are submitted to the Stock Exchanges immediately upon approval of the Board of Directors at the meeting. The Policy for determining materiality of events is available at <https://reliancechemotex.com/wp-content/uploads/2023/08/POLICY-FOR-DETERMINING-MATERIALITY-FOR-DISCLOSURES-RCIL.pdf>

iv. Exclusive email ID for investors:

The Company has a designated email id i.e. shareholders@reliancechemotex.com exclusively for investor servicing and the same is displayed on the Company's website.

v. NSE Electronic Application Processing System (NEAPS) and BSE Corporate Compliance & the Listing Centre (BSE Listing):

NEAPS and BSE Listing are web-based applications designed by NSE and BSE, respectively, for corporates to make submissions. All periodical compliance filings, *inter alia*, shareholding pattern, corporate governance report, corporate announcements, presentations made to institutional investors or to the analysts, if any, amongst others, are filed electronically in accordance with the Listing Regulations. Further, in compliance with the provisions of the Listing Regulations, all the disclosures made to the Stock Exchanges are in a format that allows users to find relevant information easily through a searching tool.

vi. Reminders to Investors:

Reminders are, *inter alia*, sent to shareholders for registering their PAN, KYC & Nomination details and claimed unclaimed dividend and transfer of shares thereto.

vii. Green Initiatives:

In compliance with the provisions of Section 20 of the Act, the Company proposes to send all correspondences/ communications through email to those shareholders,

who have registered their email IDs with their depository participants/Company's registrar and share transfer agent. In case the shareholders desire to receive a printed copy of such communications, they may send a

requisition to the Company. The Company will forthwith send a printed copy of the communication to the respective shareholder.

GENERAL SHAREHOLDER INFORMATION

a)	Corporate Identification Number:	L40102RJ1977PLC001994		
b)	Annual General Meeting			
	Day & Date:	Wednesday, September 11, 2024		
	Time:	11:00 A.M. (IST)		
	Venue:	through Video Conferencing ("VC") / Other Audio-Visual Means ("OAVM") to be hosted at the Registered Office of the Company Situated at Village Kanpur, Post Box No.73, Udaipur – 313003, Rajasthan (Deemed venue for the meeting)		
c)	Financial Year:	The Company follows April to March as its financial year Financial Calendar for the financial year 2024-25 are as follows:		
		Quarter	Period ending	Date / Period
		First quarter	June 30, 2024	On or before August 14, 2024
		Second quarter/ half yearly	September 30, 2024	On or before November 14, 2024
		Third quarter	December 31, 2024	On or before February 14, 2025
		Fourth quarter/year	March 31, 2025	On or before May 30, 2025
d)	Dividend payment date:	The final dividend, if approved by shareholders at the AGM, will be made payable within 30 days of the date of declaration i.e. September 11, 2024		
e)	Listing Details:	BSE Limited (BSE) Add:- Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400 001 National Stock Exchange of India Limited (NSE) Add:- Exchange Plaza, Plot No. C/1, G Block, Bandra-Kurla Complex, Bandra (East), Mumbai 400 051 Annual listing fees for the financial year 2024-25 have been paid by the Company to BSE and NSE.		
f)	Stock Code:	BSE Scrip Code:- 503162 NSE Trading Symbol:- RELCHEMQ		

g) Market Price Data

The monthly high and low prices of the company's shares at BSE and NSE and stock performance in comparison to BSE Sensex and NSE Nifty 50 for the financial year ended March 31, 2024:

Month	BSE		BSE Sensex		NSE		NSE Nifty 50	
	High (₹)	Low (₹)	High (₹)	Low (₹)	High (₹)	Low (₹)	High (₹)	Low (₹)
Apr-23	189.90	158.30	61209.46	58793.08	189.10	158.45	18,089.15	17,312.75
May-23	183.80	160.20	63036.12	61002.17	182.50	166.05	18,662.45	18,042.40
Jun-23	204.70	171.05	64768.58	62539.14	204.90	171.05	19,201.70	18,464.55
Jul-23	190.05	171.60	67619.17	64836.16	191.00	170.95	19,991.85	19,234.40
Aug-23	199.90	174.15	66658.12	64723.63	201.00	174.05	19,795.60	19,223.65
Sep-23	218.15	178.20	67927.23	64818.37	220.00	175.10	20,222.45	19,255.70
Oct-23	240.70	208.00	66592.16	63092.98	240.90	208.00	19,849.75	18,837.85
Nov-23	295.00	239.05	67069.89	63550.46	295.35	239.00	20,158.70	18,973.70
Dec-23	350.50	277.25	72484.34	67149.07	349.00	276.50	21,801.45	20,183.70
Jan-24	314.30	241.55	73427.59	70001.60	308.90	238.05	22,124.15	21,137.20
Feb-24	269.90	203.25	73413.93	70809.84	271.30	205.20	22,297.50	21,530.20
Mar-24	233.30	181.05	74245.17	71674.42	234.90	181.00	22,526.60	21,710.20

h)	Confirmation of suspension of securities from trading:	The Company's securities were not suspended for trading during the financial year 2023-24.
i)	Registrar and Share Transfer Agent Contact Details:	Bigshare Services Pvt. Ltd. Office No S6-2, 6 th Floor, Pinnacle Business Park, Next to Ahura Centre, Mahakali Caves Road, Andheri (East) Mumbai - 400093 Ph. No. 022-62638200, 022-62638268 Fax: 022-62638299 E-mail: info@bigshareonline.com Website: www.bigshareonline.com
j)	Share Transfer System:	In accordance with the proviso to Regulation 40(1) of the Listing Regulations, effective from April 1, 2019, transfers of shares of the Company shall not be processed unless the shares are held in the dematerialized form with a depository. Accordingly, shareholders holding equity shares in physical form are urged to have their shares dematerialized so as to be able to freely transfer them.

k) *Distributions of Shareholding as on March 31, 2024 are as under:

According to the category of holding:

Category	Total Shareholders	Total Shares held	% of total Shareholding
Clearing Member	11	27678	0.3669
Corporate Bodies	35	303661	4.0254
Corporate Bodies (Promoter Co)	5	4212779	55.8460
Directors And their relatives (Non-Promoter)	2	250	0.0033
Foreign Portfolio Investor (Corporate)-Category I	1	8028	0.1064
IEPF	1	260331	3.4510
Key Managerial Personnel	1	1	0.0000
Non Resident Indian	101	56207	0.7451
Promoters	9	892940	11.8371
Public	11151	1780688	23.6054
Trusts	1	1000	0.0133
Total	11318	7543563	100.0000

According to the Number of Equity Shares:

Category	Total Shareholders	% of total Shareholders	Total Shares held	% of total Shareholding
1-500	10881	96.1389	607496	8.0532
501-1000	208	1.8378	167887	2.2256
1001-2000	99	0.8747	149977	1.9881
2001-3000	26	0.2297	64226	0.8514
3001-4000	22	0.1944	77734	1.0305
4001-5000	12	0.1060	58530	0.7759
5001-10000	33	0.2916	225682	2.9917
Over 10000	37	0.3269	6192031	82.0836
Total	11318	100.0000	7543563	100.0000

*The above details are not consolidated based on PAN.

l)	Dematerialization of Shares and Liquidity:	73,88,195 (97.94%) of the equity shares have been dematerialized till March 31, 2024 out of 75,43,563 Equity Shares.
m)	Outstanding global depository receipts or american depository receipts or warrants or any convertible instruments, conversion date and likely impact on equity:	The Company has not issued any global depository receipts or american depository receipts or warrants or any convertible instruments.
n)	Disclosure of foreign exchange risks, commodity price risks and hedging activities:	Please refer to Notes to the Financial Statements for Commodity Price Risk/ Foreign Exchange Risk and Hedging Activities
o)	Plant Location:	Village Kanpur, Post Box No.73, Udaipur – 313003, Rajasthan.
p)	Address for correspondence:	Reliance Chemotex Industries Ltd. Village Kanpur, Post Box No.73, Udaipur – 313003, Rajasthan Ph. No. 0294-2490488, 2491489, 2491490 Fax No. : 0294-2490067 E-mail:shareholders@reliancechemotex.com Website: www.reliancechemotex.com
q)	Credit Ratings:	As on March 31, 2024, India Ratings & Research Private Limited has revised its Outlook to Stable from Positive while affirming its Long-Term Issuer Rating at 'IND BBB'.
r)	E-Voting Details	
	Cut-off date:	Wednesday, September 04, 2024 (Shareholders whose names appear in the Register of Members of the Company or Register of Beneficial Owners maintained by the Depositories as on the cut-off date shall be eligible to vote either through remote e-voting or e-voting during the AGM.)
	E-voting start date and time:	Saturday, September 07, 2024 at 9.00 a.m. IST
	E-voting end date and time:	Tuesday, September 10, 2024 at 5.00 p.m. IST
s)	Book closure date:	From Thursday, September 05, 2024 to Wednesday, September 11, 2024 (both days inclusive)
t)	ISIN for Depositories:	INE750D01016 Annual Custody/Issuer fees for the financial year 2024-25 has been paid by the Company to National Securities Depository Limited ("NSDL") and Central Depository Services (India) Limited ("CDSL")

TRANSFER TO INVESTOR EDUCATION AND PROTECTION FUND

In terms of Sections 124 and 125 of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (including any statutory modification(s) and/ or re-enactment(s) thereof for the time being in force) ("IEPF Rules"), dividend, if not paid or claimed for a period of 7 years from the date of transfer to Unclaimed Dividend Account of the Company, is liable to be transferred to the Investor Education and Protection Fund ("IEPF").

Further, according to the Act read with the IEPF Rules, all the shares in respect of which dividend has not been paid or claimed by the shareholders for 7 consecutive years or more shall also be transferred to the Demat account of the IEPF Authority.

During the year under review, the Company had sent individual notices and issued advertisements in the newspapers, requesting the shareholders to claim their dividends in order to avoid the transfer of shares/ dividends to the IEPF. Details of the unclaimed dividend and shareholders

whose shares are liable to be transferred to the IEPF Authority are available on the website of the Company at <http://www.reliancechemotex.com/reports/financial-reports/>

The details of the unclaimed dividends and corresponding shares transferred to IEPF during the financial year 2023-24 are as follows:

Particulars	Amount of unclaimed dividend (in Rs.)	Number of shares
Final Dividend 2015-16	385,968.00	13,332
Total	385,968.00	13,332

The Members who have a claim on the dividends and shares may claim the same from the IEPF Authority by submitting an online application in web Form No. IEPF-5, which is available on the website at www.iepf.gov.in and sending a physical copy of the same, duly signed to the Company's Registrar & Share Transfer Agent, along with requisite documents enumerated in the web Form No. IEPF-5. No claims shall lie against the Company in respect of the dividend/shares so transferred.

The details of the outstanding unclaimed dividend and corresponding due dates for transfer to IEPF as on March 31, 2024 are as under:

Sr. No.	Financial Year	Type of Dividend	Dividend Per Share	Due Date for Transfer	Amount (Rs.) as on March 31, 2024
1.	2016-17	Final	1	27.09.2024	3,65,184
2.	2017-18	Final	1	12.10.2025	3,08,255
3.	2018-19	Special	0.50	12.10.2026	2,00,118
		Final	1	12.10.2026	99,955
4.	2019-20	Final	1	02.11.2027	1,91,830
5.	2020-21	Final	2	21.09.2028	3,29,220
6.	2021-22	Final	2.5	02.11.2029	3,63,467
7.	2022-23	Final	2.5	26.10.2030	2,51,331

Nodal Officer:- Pursuant to Rule 7(2A) of the IEPF Rules, Mr. Utkarsh Gaur, Company Secretary & Compliance Officer, is appointed as Nodal Officer of the Company, the details of which are available on the company's website at <https://reliancechemotex.com/wp-content/uploads/2024/04/Contact.pdf>

OTHER DISCLOSURES

a. The Company has approved/adopted Code of Conduct for Insider Trading, as per the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 ["SEBI (PIT) Regulations"] and amended from time to time. The Company is availing "I-Track Software" facility of RTA i.e. Bigshare Services Pvt. Ltd. to track Insider Trading transactions which helps to monitor, report and maintain a digital database with adequate & effective internal controls and checks on insider trading as required under SEBI (PIT) Regulations.

This software helps to maintain the following to comply with the requirements of SEBI (PIT) Regulations:

- structured digital database with adequate internal controls and checks such as time stamping and audit trails to ensure non-tampering of the database and can maintain the records for 8 years; and
- adequate and effective system of internal controls to ensure compliance with the requirements given in SEBI (PIT) Regulations to prevent insider trading; and
- To monitor and report trading by the designated persons.

Various Reports are generated from the said I-Track Software which helps the Company to comply with SEBI (PIT) Regulations and to monitor transactions done by Designated Persons in effective way. The necessary changes are also made from time to time in this software according to the amendments made in SEBI (PIT) Regulations.

b. All Related Party Transactions that were entered into during the financial year under review, were on an arm's length basis, in the ordinary course of business and are in compliance with the applicable provisions of the Act and the Listing Regulations. There were no materially significant related party transactions which could have potential conflict with interest of the Company at large.

c. There has not been any non-compliance, penalties or strictures imposed on the Company by the Stock

Exchanges, SEBI or any other statutory authority, on any matter relating to the capital markets during the last three years.

d. The Company has a well-defined vigil mechanism/whistle blower policy and the same is displayed on the Company website at <https://www.reliancechemotex.com/wp-content/uploads/2021/06/Vigil-Mechanism-Whistle-blower-policy.pdf>, particulars of which have been explained in greater detail as part of the Board's Report. No complaint under whistle blower policy has been received during the financial year 2023-24.

No personnel has been denied access to the Audit Committee.

e. The Company has complied with all the mandatory corporate governance requirements under the Listing Regulations.

Further, the Company has complied with the following non-mandatory requirements as per the provisions of Part E of Schedule II of the Listing Regulations:

- The office of the Chairman is occupied by a Non-Executive Director of the Company.
- The financial statements contain an unmodified audit opinion.
- The Company has a separate Non-Executive Chairman and a Managing Director, who are not related to one another.
- The Internal auditors of the Company directly report to the Audit Committee of the Board of Directors.

f. Web link:

- Policy for determining 'material' subsidiaries: <https://reliancechemotex.com/wp-content/uploads/2024/05/material-subsiadiary.pdf>
- Policy on dealing with related party transactions: https://reliancechemotex.com/wp-content/uploads/2023/02/Policy_on_Related_Party_Transactions-FINAL.pdf

- g. During the year under review, the Company did not raise any funds through preferential allotment or qualified institutions placement as specified under Regulation 32(7A) of the Listing Regulations.
- h. Certificate as required under Part C of Schedule V of the Listing Regulations, received from Mr. S. N. Bhandari (FCS No.: 761; CP No.: 366), Partner of Bhandari & Associates, Practicing Company Secretaries, that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed and/or continuing as Directors of the Company by the SEBI/Ministry of Corporate Affairs or any such statutory authority is annexed to this Report as **Annexure A**.
- i. During the financial year 2023-24, the Board has accepted all the recommendations made by any statutory committees of the Board. There have been no instances during the year where recommendations of any statutory committees were not accepted by the Board.
- j. Total fees for all services paid by the Company, on a consolidated basis, to the statutory auditor and all entities in the network firm/ network entity of which the statutory auditor is a part are given below:

Payment to Statutory Auditors	FY 2023-24 (Rs. in Lakhs)
Audit Fees	7.70
Tax Audit Fees	2.68
Other Services	1.90
Reimbursement of expenses	2.71
Total	14.99

- k. During the financial year 2023-24, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. Furthermore, there was no pending complaint/ case at the beginning as well as at the end of financial year.
- l. Disclosure by listed entity and its subsidiaries of 'Loans and advances in the nature of loans to firms/companies in which Directors are interested by name and amount: NIL
- m. There has not been any material subsidiaries of the Company.
- n. The Company has complied with all the requirements in regards to the extent applicable provisions under Sub

paras (2) to (10) of Para C to Schedule V of the Listing Regulations.

- o. The Company is in compliance with the requirements stipulated under Regulation 17 to 27 read with Schedule V and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of Listing Regulations, as applicable, concerning Corporate Governance.
- p. The Company has adopted a Code of Conduct for Board Members and Senior Management Personnel which provides guiding principles of conduct to promote ethical conduct of business, confirms to equitable treatment of all, and to avoid practices like bribery, corruption and anti-competitive practices.

All members of the Board and Senior Management Personnel have affirmed compliance with the Code of Conduct for Board and Senior Management Personnel for the financial year 2023-24. A declaration to this effect duly signed by Mr. Sanjiv Shroff, Managing Director of the Company is annexed to this Report as **Annexure B**.

- q. As required by Regulation 34 (3) and Schedule V, Part E of the Listing Regulations, the certificate given by M/s. P K M B & Co., Chartered Accountants, Statutory Auditor of the company regarding the compliance of conditions of corporate governance, is annexed to this Report as **Annexure C**.
- r. Disclosure with respect to demat suspense account/ unclaimed suspense account: Not applicable.
- s. There are no agreements that require disclosure under clause 5A of paragraph A of Part A of Schedule III of the Listing Regulations.
- t. As required under Regulation 17(8) of the Listing Regulations, the Managing Director (MD) and Chief Financial Officer (CFO) certificate for the financial year 2023-24 signed by Mr. Sanjiv Shroff, MD and Mr. Chandrasekaran Rajagopalan, CFO, was placed before the Board at its meeting held on May 24, 2024 and is annexed to this report as **Annexure D**.
- u. There has not been any change in the accounting policies of the Company during the year.
- v. The Company has followed all relevant Accounting Standards notified by the Companies (Indian Accounting Standards) Rules, 2015 while preparing Financial Statements for the financial year 2023-24.

For and on behalf of the Board of Reliance Chemotex Industries Ltd.

Place: Mumbai
Date: May 24, 2024

Sanjiv Shroff
Managing Director
DIN: 00296008

Rahul Shroff
Whole Time Director
DIN: 02301693

Registered Office: Village Kanpur, Post Box No.73, Udaipur, Rajasthan, 313003
CIN: L40102RJ1977PLC001994
Tel: +91 (0) 294 2491489; +91 (0) 294 2491490 | Fax: +91 (0) 294 2490067
E-mail: cs@reliancechemotex.com | Website: www.reliancechemotex.com

Annexure: A

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

[Pursuant to Regulation 34(3) and clause (10)(i) of Para C of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To
The Members,
Reliance Chemotex Industries Limited
Village Kanpur,
Post Box No.73,
Udaipur, Rajasthan-313003

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Reliance Chemotex Industries Limited, having CIN L40102RJ1977PLC001994 and having registered office at Village Kanpur, Post Box No.73, Udaipur, Rajasthan-313003 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with clause 10(i) of Para C of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications [including Directors Identification Number (DIN) status at the portal www.mca.gov.in] as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the financial year ended March 31, 2024 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of Appointment in the Company
1.	Mr. Ramadoss Srinivasan *	00235831	29.10.2013
2.	Mr. Ram Niwas Sharma	00368947	09.04.2016
3.	Mr. Narayan Shroff *	05207412	14.02.2012
4.	Mrs. Dipika Shroff *	00226941	10.02.2015
5.	Mr. Nand Gopal Khaitan	00020588	23.08.1977
6.	Mr. Sanjiv Shroff	00296008	01.09.1988
7.	Mr. Rahul Shroff	02301693	28.07.2008
8.	Mr. Ameya Shroff	05315616	29.06.2013

* Ceased to be director with effect from close of business hours on March 31, 2024.

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

For Bhandari & Associates

Company Secretaries
Unique Identification No.: P1981MH043700
Peer Review Certificate No.: 611/2019

S. N. Bhandari

Partner
FCS No.: 761; CP No.: 366
Mumbai | May 24, 2024
ICSI UDIN: F000761F000425273

Annexure: B

DECLARATION AFFIRMATION COMPLIANCE WITH CODE OF CONDUCT

In accordance with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, I hereby confirm and declare that all the Directors and the Senior Management personnel of the Company have affirmed compliance with the Code of Conduct of the Company laid down for them for the financial year ended March 31, 2024.

For Reliance Chemotex Industries Ltd.

Sanjiv Shroff
Managing Director
DIN: 00296008

Date: May 24, 2024
Place: Mumbai

Annexure: C

INDEPENDENT AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To the Members of **Reliance Chemotex Industries Limited**

1. We have examined the compliance of regulations of Corporate Governance by Reliance Chemotex Industries Limited ('the Company') for the year ended March 31st 2024 as stipulated in regulations 17 to 27, clauses (b) to (i) of Regulation 46(2), and paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the 'Listing Regulations').

Management's Responsibility

2. The preparation of the Corporate Governance Report is the responsibility of the Management of the Company including the preparation and maintenance of all relevant supporting records and documents. This responsibility also includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Corporate Governance Report.
3. The management along with the Board of Directors are also responsible for ensuring compliance with the conditions of Corporate Governance as stipulated in the Listing Regulations, issued by the Securities and Exchange Board of India.

Auditors' Responsibility

4. Our responsibility is limited to examining the procedures and Implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
5. We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of the Chartered Accountants of India (the ICAI), the Standards on Auditing specified under Section 143(10) of the Companies Act 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Report or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
6. We conducted our examination of the Corporate Governance Report in accordance with Guidance Note on Reports or Certificates for Special Purposes and the Guidance Note on Certification of Corporate Governance, both issued by the institute of Chartered Accountants of India ("ICAI"). The Guidance Note on Reports or Certificates for Special Purposes requires that we comply with the ethical requirements of the Code of Ethics issued by ICAI.
7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.
8. The procedures selected depend on the auditors' judgment, including the assessment of the risks associated in compliance of the Corporate Governance Report with the applicable criteria. The procedures include, but not limited to, verification of secretarial records and financial information of the Company and obtain necessary representations and declarations from directors including independent directors of the Company.
9. The procedures also include examining evidence supporting the particulars in the Corporate Governance Report on a test basis. Further, our Scope of work under this report did not involve us performing audit tests for the purposes of expressing an opinion on the fairness or accuracy of any of the financial information or the financial statements of the Company taken as whole.

Opinion

10. Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Company has complied with conditions of Corporate Governance as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the Listing, Regulations during the year ended 31st March 2024.

Other matters and Restriction on Use

11. This Certificate in neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.
12. The Certificate is addressed to and provided to the members of the Company solely for the purpose of enabling it to comply with its obligations under the Listing Regulations and should not be used by any other persons or for any other purpose. Accordingly, we do not accept or assume any liability or any duty or care or for any other purpose or to any other party to whom it is shown or into whose hand it may come without our prior consent in writing. We have no responsibility to update this Certificate for events and circumstances occurring after the date of this Certificate.

For P K M B & Co.
Chartered Accountants
ICAI Firm Registration No. 005311 N

Place: New Delhi
Date: 24th May 2024

P.K. Jain
Partner
Membership No. 010479
UDIN: 24010479BKHJPI7934

Annexure: D

CEO & CFO CERTIFICATE

To,
The Board of Directors of
Reliance Chemotex Industries Ltd.
Registered Office: Village Kanpur,
Post Box No.73, Udaipur, Rajasthan, 313003

- A. We have reviewed financial statements and the cash flow statement for the year and that to the best of their knowledge and belief:
- 1) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - 2) These statements together present a true and fair view of the listed entity's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. There are, to the best of their knowledge and belief, no transactions entered into by the listed entity during the year which are fraudulent, illegal or violative of the listed entity's code of conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that they have evaluated the effectiveness of internal control systems of the listed entity pertaining to financial reporting and they have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which they are aware and the steps they have taken or propose to take to rectify these deficiencies.
- D. We have indicated to the auditors and the Audit committee
- 1) Significant changes in internal control over financial reporting during the year;
 - 2) Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - 3) Instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the listed entity's internal control system over financial reporting.

For Reliance Chemotex Industries Ltd.

Place: Mumbai
Date: May 24, 2024

Chandrasekaran Rajagopalan
Chief Financial Officer

Sanjiv Shroff
Managing Director
DIN: 00296008

Financial Statements

INDEPENDENT AUDITORS' REPORT

To the Members of **RELIANCE CHEMOTEX INDUSTRIES LIMITED**

Report on the Audit of the Standalone Ind AS Financial Statements

Opinion

We have audited the accompanying Standalone Ind AS financial statements of RELIANCE CHEMOTEX INDUSTRIES LIMITED ("the Company"), which comprise the Balance sheet as at March 31 2024, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Ind AS financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the Standalone Ind AS financial statements in accordance with the Standards on Auditing

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

Key Audit Matters

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

S.no	Key Audit Matter	Auditor's Response
1	<p>Valuation of Trade Receivable</p> <p>Trade receivables is a significant item in the Company's financial statements as at March 31, 2024 and assumptions used for estimating the credit loss on certain receivables is an area which is determined by management's judgment.</p> <p>The Company makes an assessment of the estimated credit losses on certain trade receivables based on credit risk, project status, past history, latest discussion/ correspondence with the customer.</p> <p>Given the significance of these receivables in the financial statements as at 31st March, 2024, we determined this to be a key audit matter.</p>	<p>Our audit procedure included, among others:</p> <ul style="list-style-type: none"> • Evaluated the accounting policy of the company. • Inquired with senior management regarding status of collectability of the receivable. • Amount recovered subsequent to the Balance Sheet date. • Discussion of material outstanding balances with the audit committee. • Assessed the information/assumptions used by the Management to determine the expected credit losses by considering credit risk of the customer, cash collection, and the level of credit loss over time; <p>Based on our work as stated above, no significant deviations were observed in respect of management's assessment of valuation of trade receivables</p>

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Standalone Report 2021-22. Our opinion on the standalone Ind AS financial statements

does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Standalone Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the Standalone

Ind AS financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management for the Standalone Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with [the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone Ind AS financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

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

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

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

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone Ind AS financial statements for the financial year ended March 31, 2024 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid Ind AS financial statements comply with the Indian Accounting Standards prescribed under section 133 of the Act.
 - e) On the basis of the written representations received from the directors as on 31st March, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2024 from being appointed as a director in terms of Section 164(2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
 - g) In our opinion, Managerial remuneration for the year ended 31.03.2024 has been paid /provided by the company to its director in accordance with the provisions of section 197 read with schedule V to the Act.
 - h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its Ind AS financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv. The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - v. The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - vi. Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
 - vii. (a) The dividend proposed in the previous year, declared and paid by the Company during the year is in accordance with section 123 of the Companies Act 2013
 - (b) The Board of Directors of the Company have proposed dividend for the year which is

subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with section 123 of the Act, as applicable.

- viii. The reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 is applicable from 1 April 2023.

Based on our examination which included test checks the Company has used accounting softwares for maintaining its books of account which have a feature of recording audit trail facility except in respect of maintenance of property, plant and equipments records, payroll records and cost accounting records. The feature of audit trail facility did not have facility of edit log during the year ended 31.03.2024. Audit trail facility without edit log was

enabled throughout the year and such audit trail feature has not been tempered with and the audit trail has been preserved by the company as per the statutory requirements for record retention. It was explained by the management that audit trail with edit log will be maintained for all the transaction in financial year 2024-25.

For **P K M B & Co.**
Chartered Accountants
(Firm Registration No. 005311N)

(P.K. Jain)
Partner

Place: New Delhi
Date: 24th May 2024

Membership No. 010479
UDIN:24010479BKHJPJ2321

Annexure 'A' to Independent Auditors' Report of RELINCE CHEMOTEX INDUSTRIES LIMITED (Referred to in Paragraph 1 under the heading of "Report on Other Legal and Regulatory Requirements" of our report of even date)

- i. In respect of the Company's Property, Plant and Equipment and Intangible Assets:
- (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
- (B) The Company has maintained proper records showing full particulars of intangible assets.
- (b) Property, Plant and Equipment have been physically verified by the management according to the regular programme of periodical verification which in our opinion is reasonable having regard to the size of the Company and the nature of its Property, Plant and Equipment. No material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and on the basis of our examination of records of the Company, the title deeds of immovable properties (other than properties where the company is the lessee & the lease agreements are duly executed in favour of the lessee) disclosed in the financial statement are held in the name of the Company.
- (d) The Company has not revalued any of its Property, Plant and Equipment and intangible assets during the year.
- (e) According to the information and explanation provided to us, no proceedings have been initiated during the year or are pending against the Company as at March 31, 2024 for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- ii. (a) The inventories of the company at all its locations (except stock in transit) have been physically verified by the management at reasonable intervals. In our opinion the procedure and coverage of such physical verification by the management is appropriate. Further no material discrepancies were noticed on such physical verification by the management.
- (b) According to the information and explanation provided to us, working capital limit in excess of Rs 5 crore has been sanctioned/renewed from banks during the year. Further, based on our examination of records of the company, the quarterly statement/returns filed by the company with such banks, pursuant to such working capital limits are materially in agreement with the books of accounts of the company.
- iii. The Company has not made investments in, provided any guarantee or security or granted any loans, secured or unsecured, to companies, firms, limited liability partnership or any other parties except unsecured loan to employees as per company's established policy during the year, in respect of which:
- (a) The Company has not provided any loans or advances in the nature of loans or stood guarantee, or provided security to any other entity during the year, and hence reporting under clause 3(iii) (a) of the Order is not applicable.
- (b) In our opinion, the terms and conditions of the grant of loans or advances in the nature of loans during the year are, prima facie, not prejudicial to the Company's interest.
- (c) In respect of loans and advances in the nature of loan granted by the Company, the schedule of repayment of principal is stipulated and the repayments of principal amounts is regular as per stipulation.
- (d) In respect of loans or advances in the nature of loans granted by the Company, there is no overdue amount exceeding ninety days remaining outstanding as at the balance sheet date.
- (e) No loan or advances in the nature of loans granted by the Company which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the over dues of existing loans given to the same parties.
- (f) The Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the year. Hence, reporting under clause 3(iii) (f) is not applicable.
- iv. In our opinion and according to the information and explanation given to us, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of loans, investments made and guarantees and securities provided, as applicable.
- v. The Company has not accepted any deposit or amounts which are deemed to be deposits within section 73 to 76 of the act and the companies (Acceptance of

deposit) Rules, 2014 (as amended). Hence, reporting under clause 3(v) of the Order is not applicable.

vi. We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under Section 148(1) of the Companies Act, 2013 and are of the opinion that, prima-facie, prescribed accounts and records have been made and maintained. We have, however, not made a detailed examination of the said records with a view to determine whether they are accurate and complete;

vii. In respect of statutory dues:

(a) In our opinion, the Company has generally been regular in depositing undisputed statutory dues, including Goods and Services tax, Provident Fund,

Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues applicable to it with the appropriate authorities.

There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues in arrears as at March 31, 2024 for a period of more than six months from the date they became payable.

(b) Details of statutory dues referred to in sub-clause (a) above which have not been deposited as on March 31, 2024 on account of disputes are given below:

Nature of the statute	Nature of dues	Amount involved in Rs.	Period to which the amount Relates (Year ended)	Forum where matter is pending
Service Tax Act	Service Tax	240837	16.07.2017 to 16.10.2018	The Asst. Commissioner Central Excise Udaipur
Central Excise Act	Excise Duty	23567	F.Y. 2001-2002	The Asst. Commissioner Central Excise Udaipur
Income Tax Act	Income Tax	92500301	F.Y. 2017-18	Appeal Pending at ACIT Circle 1(1) Kolkata
Income Tax Act	Income Tax	13018300	F.Y. 2018-2019, 2019-2020, 2020-2021.	The Assessing Officer, Kolkata
Income Tax Act	Income Tax	12060630	F.Y. 2019-2020	CIT Appeal
Goods and Services Tax Act	GST	20690455	F.Y. 2021-2022 and 2022-2023	High Court

viii. There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

ix. (a) The Company has not defaulted in repayment of loans or borrowings or in the payment of interest to any lender.

(b) Company has not been declared willful defaulter by any bank or financial institution or government or any government authority or by other lender.

(c) The term loans were applied for the purpose for which the loans were obtained.

(d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.

(e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiary.

(f) The Company has not raised any loans during the year on the pledge of securities held in its subsidiary

and hence reporting on clause 3(ix) (f) of the Order is not applicable.

x. (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.

(b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partially or optionally) and hence reporting under clause 3(x) (b) of the Order is not applicable.

xi. (a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

(b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.

(c) The company has not received any whistle blower complaints hence reporting under clause 3(xi)(c) is not applicable.

- xii. The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.
- xiii. In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- xiv. (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- (b) We have considered the internal audit reports for the year under audit.
- xv. The Company has not entered in to any non-cash transaction with director or persons connected with them.
- xvi. (a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi) (a), (b) and (c) of the Order is not applicable.
- (a) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi) (d) of the Order is not applicable.
- xvii. The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors of the Company during the year.
- xix. On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- xx. (a) There are no unspent amounts towards Corporate Social Responsibility (CSR) on other than ongoing projects requiring a transfer to a Fund specified in Schedule VII to the Companies Act in compliance with second proviso to sub-section (5) of Section 135 of the said Act. Accordingly, reporting under clause 3(xx) (a) of the Order is not applicable for the year.
- (a) No amount remains unspent under sub section (5) of section 135 of the Companies Act, pursuant to any ongoing project.

For **P K M B & Co.**
Chartered Accountants
(Firm Registration No. 005311N)

(P.K. Jain)
Partner

Place: New Delhi
Date: 24th May 2024

Membership No. 010479
UDIN:24010479BKHJPJ2321:

Annexure B to the independent Auditors' report of even date on the Financial Statement of Reliance Chemotex Industries Limited.

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

We have audited the internal financial controls over financial reporting of Reliance Chemotex Industries Limited as at March 31, 2024 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the Internal financial controls system over financial reporting and their operating effectiveness, our audit of internal financial controls over

financial reporting included obtaining and understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statement, whether due to fraud or error.

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

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company has in all material respects, an adequate internal financial control system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2024, based on “the internal control over financial reporting criteria established by the Company Considering the essential components of internal control stated in the “Guidance Note on Audit of Internal Financial Controls over Financial

Reporting issued by the Institute of Chartered Accountants of India”.

For **P K M B & Co.**
Chartered Accountants
(Firm Registration No. 005311N)

(P.K. Jain)
Partner

Place: New Delhi
Date: 24th May 2024

Membership No. 010479
UDIN:24010479BKHJPJ2321:

BALANCE SHEET

as at 31st March 2024

(Rs. In Lacs)

Particulars	Note No.	As at March 31, 2024	As at March 31, 2023
ASSETS			
(1) Non - current assets			
(a) Property, Plant and Equipment	1	27,798.31	15,473.08
(b) Capital Work in Progress	1A	80.42	3,893.88
(c) Investment - Property	2	195.93	199.63
(d) Other intangible assets	3	62.48	4.84
(e) Intangible assets under Development	1A	-	38.54
(f) Right of use assets (Lease Property)	4	3,704.08	3,876.84
(g) Financial Assets - Other Financial Assets	5	577.80	616.68
(h) Other Non Current Assets	6	50.21	979.32
(2) Current assets			
(a) Inventories	7	5,385.07	4,526.96
(b) Financial Assets			
(i) Trade receivables	8	614.64	740.56
(ii) Cash and cash equivalents	9	27.19	404.36
(iii) Bank Balances other than (ii) above	10	5,031.72	5,749.60
(iv) Other Financial Assets	11	574.69	656.22
(c) Current tax assets (net)	12	218.51	191.24
(d) Other current assets	13	3,781.55	2,344.35
Total ASSETS		48,102.60	39,696.12
EQUITY AND LIABILITIES			
EQUITY			
(a) Equity share capital	14	755.97	755.97
(b) Other Equity	15	12,608.95	12,444.74
LIABILITIES			
(1) Non - Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	16	15,040.15	6,639.85
(iia) Lease Liabilities		135.90	227.33
(ii) Trade payables	17	-	-
- Total Outstanding due to micro and small enterprises		-	-
- Total Outstanding due to other than micro and small enterprises		216.46	220.03
(iii) Other financial liabilities	18	30.59	44.87
(b) Provisions	19	47.43	47.59
(c) Deferred tax liabilities (net)	20	2,882.04	2,771.71
(2) Current liabilities			
(a) Financial Liabilities			
(i) Borrowings	21	12,835.83	12,985.68
(iia) Lease Liabilities		86.80	81.72
(ii) Trade payables	22	-	-
- Total Outstanding due to micro and small enterprises		191.95	99.41
- Total Outstanding due to other than micro and small enterprises		1,482.24	1,337.82
(iii) Other financial liabilities	23	1,358.07	1,448.20
(b) Other current liabilities	24	289.40	498.22
(c) Provisions	25	140.82	92.98
Total EQUITY AND LIABILITIES		48,102.60	39,696.12

Significant Accounting Policies and Notes to Accounts (Note No. 35 to 58)

As per our Report of even date

For PKMB & Co.
Chartered Accountants
(Firm Registration No. 005311N)

P.K. JAIN
Partner
M.No. 010479

Place : New Delhi
Dated : 24th May 2024

UTKARSH GAUR
Company Secretary
M.No. A60237

SANJIV SHROFF
Managing Director
DIN -00296008

R. CHANDRASEKARAN
Chief Financial Officer

RAHUL SHROFF
Executive Director
DIN - 002301693

STATEMENT OF PROFIT & LOSS

For the year ended 31st March 2024

(Rs. In Lacs)

Particulars	Note No.	Year ended 31.03.2024	Year ended 31.03.2023
I Revenue from operations	26	36,718.80	36,487.78
II Other income	27	426.65	615.92
III Total income (I + II)		37,145.45	37,103.70
IV Expenses			
Cost of Materials Consumed	28	19,642.57	18,562.22
(Increase)/Decrease in Inventories of Finished Goods, Work-in-Progress etc.	29	(833.76)	469.58
Employee Benefits Expense	30	5,784.61	5,109.09
Finance Costs	31	1,956.54	1,393.18
Depreciation and Amortisation Expense	32	1,012.61	975.69
Other Expenses	33	9,020.13	8,923.19
Total expenses		36,582.70	35,432.95
V Profit before Tax (III - IV)		562.75	1,670.75
VI Tax expense	34		
(1) Current Tax		104.00	280.00
(2) Mat Credit Entitlement		(99.24)	(131.04)
(3) Tax for earlier year		30.65	11.78
(4) Deferred Tax		206.35	268.09
Total Tax Expenses		241.76	428.83
VII Net Profit for the year (V - VI)		320.99	1,241.92
VIII Other Comprehensive Income			
A (i) Items that will not be reclassified to (loss) or profit			
i) Remeasurement (loss)/ Gain on defined benefit plan		44.07	7.05
ii) Tax on (i) above		(12.26)	(2.05)
IX Total Other Comprehensive Income for the year (VII+VIII)		31.81	5.00
X Total Comprehensive Income for the year (VII+IX)		352.80	1,246.92
XI Earnings per equity share of Face Value of Rs. 10/- each			
Basic and Diluted (In Rs.)		4.26	16.46

Significant Accounting Policies and Notes to Accounts (Note No. 35 to 58)

As per our Report of even date

For PKMB & Co.
Chartered Accountants
(Firm Registration No. 005311N)

P.K. JAIN
Partner
M.No. 010479

Place : New Delhi
Dated : 24th May 2024

UTKARSH GAUR
Company Secretary
M.No. A60237

SANJIV SHROFF
Managing Director
DIN -00296008

R. CHANDRASEKARAN
Chief Financial Officer

RAHUL SHROFF
Executive Director
DIN - 002301693

STATEMENT OF CHANGES IN EQUITY

as at 31st March 2024

A. Equity Share Capital

(Rs. In Lacs)

Particulars	
Balance at 01.04.2022	755.97
Movement during the year	-
Balance at 31.03.2023	755.97
Movement during the year	-
Balance at 31.03.2024	755.97

B. Other Equity

(Rs. In Lacs)

Particulars	Reserve and Surplus			Other Comprehensive Income	Total
	Securities Premium	General Reserve	Retained Earning	Re-measurement Gain/Loss on defined Benefit Plans	
Balance as at 31st March 2022	2,561.96	644.79	8,179.66	-	11,386.41
Profit for the year	-	-	1,241.92	-	1,241.92
Transfer to / from Retained Earning	-	-	5.00	(5.00)	-
Other comprehensive income for the year	-	-	-	5.00	5.00
Dividend	-	-	(188.59)	-	(188.59)
Balance as at 31st March 2023	2,561.96	644.79	9,237.99	-	12,444.74
Profit for the year	-	-	320.99	-	320.99
Other comprehensive income	-	-	-	31.81	31.81
Transfer to / from Retained Earning	-	-	31.81	(31.81)	-
Dvidend	-	-	(188.59)	-	(188.59)
Balance as at 31st March 2024	2,561.96	644.79	9,402.20	-	12,608.95

As per our report of even date

For PKMB & Co.

Chartered Accountants
(Firm Registration No. 005311N)

P.K. Jain
Partner
M. No. 010479

UTKARSH GAUR
Company Secretary
M. No. A60237

R. CHANDRASEKARAN
Chef Financial Officer

SANJIV SHROFF
Managing Director
DIN - 00296008

RAHUL SHROFF
Excutive Director
DIN - 002301693

Place New Delhi

Dated: 24 May 2024

For & On behalf of Board of Directors

CASH FLOW STATEMENT For the year ended 31st March 2024

(Rs. In Lacs)

Particulars	For the Year Ended March 31, 2024	For the Year Ended March 31, 2023
A. CASH FLOW FROM OPERATING ACTIVITIES:		
Profit before Tax	562.75	1,670.75
Adjustments for:		
Depreciation and amortization expenses	1,012.61	975.69
Finance cost	1,956.54	1,393.18
Bad Debts Written off / Provision for Bad Debts	-	(28.05)
Gain on Fair Valuation	(22.03)	(20.02)
Interest income	(386.98)	(307.63)
Sundry Balances written back	(6.29)	(250.77)
(Profit)/ loss on sale of Property, plant and Equipment (net)	(0.56)	46.92
Operating profit before working capital changes	3,116.04	3,480.07
Adjustments for:		
(Increase)/Decrease in trade & other receivables	125.92	(169.08)
(Increase)/Decrease in inventories	(858.11)	(82.63)
(Increase)/ Decrease in Current other assets	(479.83)	(1,175.25)
(Increase)/ Decrease in other financial assets	120.41	(15.32)
Increase/ (Decrease) in other financial liabilities	(104.41)	(178.87)
Increase/ (Decrease) in Lease Liabilities	(86.34)	55.92
Increase/(Decrease) in trade & other payables	239.68	(1,094.49)
Increase/ (Decrease) in other current liabilities	(208.82)	(573.01)
Increase/(Decrease) in provisions	47.69	5.30
Less: Direct taxes paid (net of refunds)	(117.18)	(256.50)
Net cash flows (used in)/ generated from operating activities	1,795.05	(3.87)
B. CASH FLOW FROM INVESTING ACTIVITIES:		
INFLOWS		
Sale proceeds of property, plant and equipment	1.20	54.61
Interest received	387.72	311.48
Decrease in Other Bank Balance (including Deposit within 3 to 12 Months Maturity)	717.87	23.58
	1,106.79	389.67
OUTFLOWS		
Purchase of property, plant and equipment/ intangible assets	(9,259.98)	(5,388.53)
Addition in ROU assets	-	(68.85)
	(9,259.98)	(5,457.38)
Net cash (used in) / generated from investing activities	(8,153.19)	(5,067.71)
C. CASH FLOW FROM FINANCING ACTIVITIES:		
INFLOWS		
Proceeds of Short Term Borrowings (net)	-	5,216.50
Proceeds of Long Term Borrowings (net)	8,400.29	1,934.80
	8,400.29	7,151.30
OUTFLOWS		
Repayment of Short Term Borrowings (net)	(149.86)	-
Repayment of Lease Liability (Principal and interest)	(116.57)	(120.46)
Dividend paid on Equity Shares	(188.59)	(188.59)
Interest paid	(1,964.30)	(1,373.17)
	(2,419.32)	(1,682.22)

CASH FLOW STATEMENT

For the year ended 31st March 2024

(Rs. In Lacs)

Particulars	For the Year Ended March 31, 2024	For the Year Ended March 31, 2023
Net cash (used in) / generated from financing activities	5,980.97	5,469.08
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENT	(377.17)	397.50
Add : Cash and cash equivalent at beginning of the year	404.36	6.86
Cash and cash equivalent at end of the year	27.19	404.36

Notes:

- The cash flow statement has been prepared under the indirect method as set out in Indian Accounting Standard (Ind AS 7) statement of cash flows.
- Additions to property, plant, equipment and intangible assets include movements of capital work-in-progress and intangible assets under development respectively during the year.

Cash and Cash equivalent as per above comprises of the following

Balances with Banks	2023-24	2022-23
- In Current Accounts	7.48	398.98
- In Saving Accounts (against Employee's Security)	1.94	1.98
Cash on Hand	17.77	3.40
Balances as per statement of Cash Flows	27.19	404.36

The accompanying notes are an integral part of these standalone financial statements

As per our report of even date

For PKMB & Co.

Chartered Accountants
(Firm Registration No. 005311N)

P.K. Jain

Partner
M. No. 010479

UTKARSH GAUR

Company Secretary
M. No. A60237

R. CHANDRASEKARAN

Chef Financial Officer

SANJIV SHROFF

Managing Director
DIN - 00296008

RAHUL SHROFF

Excutive Director
DIN - 002301693

For & On behalf of Board of Directors

Place New Delhi

Dated: 24 May 2024

NOTES TO FINANCIAL STATEMENTS

NOTE NO.1 PROPERTY, PLANT AND EQUIPMENT

(Rs. In Lacs)

	Free Hold Land	Buildings	Plant and Equipment	Furniture and Fixtures	Vehicles	Office Equipment	Total
Gross Block							
Cost as at 1st April, 2022	350.00	4,120.30	12,044.77	231.00	156.14	146.95	17,049.16
Additions during the year	-	142.98	2,148.55	13.40	144.43	20.55	2,469.91
Deduction/Adjustment during the year	-	0.00	161.51	-	0.41	-	161.92
Balance as at 1st April, 2023	350.00	4,263.28	14,031.81	244.40	300.16	167.50	19,357.15
Additions during the year	305.53	3,267.23	9,546.44	17.42	1.04	22.51	13,160.17
Deduction/Adjustment during the year		-			12.75	-	12.75
Balance as at 31st March, 2024	655.53	7,530.51	23,578.25	261.82	288.45	190.01	32,504.57
Accumulated Depreciation							
Balance as at 1st April, 2022	-	785.49	2,034.27	146.38	101.63	79.52	3,147.29
Depreciation for the year	-	146.89	593.27	25.35	13.57	18.10	797.18
Deduction/Adjustment during the year	-	-	59.99	-	0.41	-	60.40
Balance as at 31st March, 2023	-	932.38	2,567.55	171.73	114.79	97.62	3,884.07
Depreciation for the year		149.18	609.19	26.59	26.23	23.12	834.31
Deduction/Adjustment during the year					12.12	-	12.12
Balance as at 31st March, 2024	-	1,081.56	3,176.74	198.32	128.90	120.74	4,706.26
Net Block							
Balance as at 31st March, 2023	350.00	3,330.90	11,464.26	72.67	185.37	69.88	15,485.08
Balance as at 31st March, 2024	655.53	6,448.95	20,401.51	63.50	159.55	69.27	27,798.31

Note : Preoperative Expenses allocated to Fixed Assets or lying in capital work in progress includes:

(Rs. In Lacs)

Particulars	2023-24	2022-23
Interest on Loan	936.06	104.71
Processing Fees and Charges	-	123.09
Salaries and Wages	695.35	122.37
Professional Fees	37.79	42.91
Other	163.09	7.91
Total	1,832.29	400.99

NOTE NO.1A

(Rs. In Lacs)

Ageing of Capital work in progress	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in Progress as on 31.03.2024	80.42	-	-	-	80.42
Projects in Progress as on 31.03.2023	3,837.88	56.00	-	-	3,893.88

(Rs. In Lacs)

	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Development in Progress as on 31.03.2024	-	-	-	-	-
Development in Progress as on 31.03.2023	38.54	-	-	-	38.54

NOTES TO FINANCIAL STATEMENTS

NOTE NO.2 INVESTMENT PROPERTY

(Rs. In Lacs)

Particulars	Leasehold Land
Gross Block	
Cost as at 1 st April, 2022	225.51
Additions during the year	-
Deduction/Adjustment during the year	-
Balance as at 31st March, 2023	225.51
Additions during the year	-
Deduction/Adjustment during the year	-
Balance as at 31st March, 2024	225.51
Accumulated Depreciation	
Balance as at 1 st April, 2022	22.18
Depreciation for the year	3.70
Deduction/Adjustment during the year	-
Balance as at 31st March, 2023	25.88
Depreciation for the year	3.70
Deduction/Adjustment during the year	-
Balance as at 31st March, 2024	29.58
Net Block	
Balance as at 31st March, 2023	199.63
Balance as at 31st March, 2024	195.93

The Fair Value of Investment Property as at 31st March, 2024 is Rs. 316.25 Lacs (PY Rs. 284.62 Lacs) after considering the rental income from Current Lease and other assumptions that market participants would use while pricing Investment Property under current market condition.

The fair value of investment property is based on the valuation by a registered valuer as defined under rule 2 of Companies (Registered Valuers and Valuation) Rules, 2017.

(Rs. In Lacs)

Information regarding Income and Expenditure of Investment Property	Year ended 31.03.2024	Year ended 31.03.2023
Rental Income derived from Investment Property	3.60	3.60
Less : Direct Operating Expenses (including Repair & Maintenance for generating Rental Income)	-	-
Less : Depreciation	3.70	3.70
Profit (Loss) arising from Investment Properties	(0.10)	(0.10)

Note No. 3 OTHER INTANGIBLE ASSETS

(Rs. In Lacs)

Particulars	As at March 31, 2024	As at March 31, 2023
OTHER INTANGIBLE ASSETS '(Computer Software)		
Gross Block		
Opening Balance	41.09	39.70
Additions during the year	59.48	1.40
Closing Balance	100.57	41.09
Amortisation		
Opening Balance	36.25	34.30
Amortization during the year	1.84	1.95
Deduction/Adjustment during the year	-	-
Closing Balance	38.09	36.25
Net Block	62.48	4.84

NOTES TO FINANCIAL STATEMENTS

Note No. 4 Right of Use Assets (Lease Property)

(Rs. In Lacs)

Particulars	Land	Building	Total
Balance as at April 1, 2022	3,579.87	400.98	3,980.85
Additions	-	68.85	68.85
Deletions	-	-	-
Depreciation / Amortization	65.09	107.77	172.86
Balance as at March 31, 2023	3,514.78	362.06	3,876.84
Balance as at April 1, 2023	3,514.78	362.06	3,876.84
Additions	-	-	-
Deletions	-	-	-
Depreciation / Amortization	65.09	107.67	172.76
Balance as at March 31, 2024	3,449.69	254.39	3,704.08

NOTE NO. 5 Other Financial Assets (“Unsecured, Considered Good”)

(Rs. In Lacs)

Particulars	As at March 31, 2024	As at March 31, 2023
Security Deposit (Others)	327.20	308.49
Fixed deposit accounts having maturity of more than 12 months	8.30	87.91
Security Deposit For Rental Premises	242.30	220.27
	577.80	616.68

NOTE NO. 6 OTHER NON CURRENT ASSETS

(Rs. In Lacs)

Particulars	As at March 31, 2024	As at March 31, 2023
Capital Advances (Unsecured, Considered Good)	50.21	979.32
	50.21	979.32

NOTE NO. 7 INVENTORIES

(Rs. In Lacs)

Particulars	As at March 31, 2024	As at March 31, 2023
Raw Materials (including in Transit Rs. 66.63 Lacs (PY Rs. 176.22 Lacs))	1,764.08	1,750.33
Work-in-Progress	1,568.38	1,073.97
Finished Goods (Packed) (Including Transit Rs. 589.78 Lacs (PY Rs. 912.45 Lacs))	1,791.54	1,459.92
Stores and Spares (including in Transit Rs. 15.15 Lacs (PY Rs. 18.89 Lacs))	250.09	239.49
Waste	8.71	0.39
Scrap and Residual Materials	2.27	2.86
	5,385.07	4,526.96

NOTE NO. 8 TRADE RECEIVABLES (Unsecured, Considered Good)

(Rs. In Lacs)

Particulars	As at March 31, 2024	As at March 31, 2023
Trade Receivables Considered Good	614.64	740.56
Trade Receivables which have significant increase in Credit Risk	8.45	8.45
	623.09	749.01
Less : Allowances for Credit Losses	8.45	8.45
	614.64	740.56

NOTES TO FINANCIAL STATEMENTS

Particulars	Outstanding for following periods from due date of payments						Total
	Not Due	Less than 6 month	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables - Considered Good							
As on 31.03.2024	600.27	1.59	6.74	-	-	6.04	614.64
As on 31.03.2023	663.04	47.13	5.74	-	-		715.91
Disputed Trade Receivables *							
As on 31.03.2024						8.45	8.45
As on 31.03.2023						33.11	33.11

* Provision for the same made in the books.

NOTE NO. 9 CASH AND CASH EQUIVALENTS

(Rs. In Lacs)

Particulars	As at March 31, 2024	As at March 31, 2023
Balances with Banks		
- In Current Accounts	7.48	398.98
- In Saving Accounts (against Employee's Security)	1.94	1.98
Cash in Hand	17.77	3.40
	27.19	404.36

NOTE NO. 10 OTHER BANK BALANCES OTHER THAN (9) ABOVE

(Rs. In Lacs)

Particulars	As at March 31, 2024	As at March 31, 2023
In Unclaimed Dividend Account	21.09	22.47
In Fixed Deposit Accounts	5,010.63	5,727.13
	5,031.72	5,749.60

NOTE NO. 11 OTHER FINANCIAL ASSETS

(Rs. In Lacs)

Particulars	As at March 31, 2024	As at March 31, 2023
(Unsecured and Considered good)		
Export Incentive Receivable	197.37	166.35
Staff & Other Advances	140.53	148.78
Interest Subsidy Receivable	203.61	307.18
Interest receivable on deposits	33.18	33.91
	574.69	656.22

NOTE NO. 12 CURRENT TAX ASSETS (NET)

(Rs. In Lacs)

Particulars	As at March 31, 2024	As at March 31, 2023
Advance Income Tax/Tax Deducted at Source	223.27	340.20
Less:- Provision for Income Tax	(4.76)	(148.96)
	218.51	191.24

NOTES TO FINANCIAL STATEMENTS

NOTE NO. 13 OTHER CURRENT ASSETS

(Rs. In Lacs)

Particulars	As at March 31, 2024	As at March 31, 2023
(Unsecured and Considered good)		
Prepaid Expenses	218.87	246.23
Balance With Government Authorities	3,315.92	1,861.32
Advance to Suppliers	180.43	148.15
Advance towards Expenses	66.33	88.65
	3,781.55	2,344.35

NOTE NO.14 EQUITY SHARE CAPITAL

(Rs. In Lacs)

Particulars	As at March 31, 2024	As at March 31, 2023
Authorised		
1,35,00,000 Equity Shares of Rs. 10/- each	1,350.00	1,350.00
30,25,000 Preference Shares of Rs. 100/- each	3,025.00	3,025.00
	4,375.00	4,375.00
Issued, Subscribed and Fully Paid-Up		
75,84,813 (P.Y. 75,84,813) Equity Shares of Rs. 10/- each	758.48	758.48
	758.48	758.48
Subscribed and Fully Paid		
75,43,563 (P.Y. 75,43,563) Equity Shares of Rs.10/- each	754.36	754.36
# Forfeited Shares (amount originally paid up Rs. 5/-)	1.61	1.61
Total Subscribed and Paid up Capital	755.97	755.97

Amount Originally paid on 41250 forfeited shares during earlier year.

(a) Promoters Shareholding

Sl. No.	Promoter Name	As at 31 st March, 2024 No. of Shares	% of Total Shares	% Change During the year
(i)	SANJIV SHROFF (HUF)	7680	0.10%	Nil
(ii)	NAND GOPAL KHAITAN	100	0.00%	Nil
(iii)	DIPIKA SHROFF	231150	3.06%	Nil
(vi)	SANJIV SHROFF	161180	2.14%	Nil
(v)	RAHUL SHROFF	368780	4.89%	2.30%
(vi)	SHANKER LAL SHROFF	50	0.00%	Nil
(vii)	BIMLA DEVI SHROFF	0	0.00%	-2.30%
(viii)	AMEYA SHROFF	124000	1.64%	Nil
(ix)	MODERN FIBOTEX INDIA LIMITED	3119719	41.36%	Nil
(x)	A R FIBTEX PRIVATE LIMITED	300000	3.98%	Nil
(xi)	A R COMMERCIAL PRIVATE LIMITED	192300	2.55%	Nil
(xii)	A S CHEMOTEX PRIVATE LIMITED	305380	4.05%	Nil
(xiii)	SUNRISE PRODUCERS PRIVATE LIMITED	295380	3.92%	Nil

(b) Reconciliation of the number of equity shares:

Description	As at March 31, 2024 No. of Shares	As at March 31, 2023 No. of Shares
Outstanding at the beginning of the year	75,43,563	75,43,563
Outstanding at the end of the year	75,43,563	75,43,563

NOTES TO FINANCIAL STATEMENTS

(c) Term/Right attached to Equity Shares:

The Company has only one class of shares referred to as equity share having a face value of Rs.10/- per share ranking paripassu. The holders of equity shares are entitled to one vote per share.

(d) Details of Shareholders holding more than 5% shares based on legal ownership in the Equity share capital of the Company:

Name of the Shareholder	As at 31.03.2024		As at 31.03.2023	
	No. of Shares	% of holding	No. of Shares	% of holding
Modern Fibotex India Limited	3119719	41.36%	3119719	41.36%

NOTE NO.15 OTHER EQUITY

(Rs. In Lacs)

Particulars	As at March 31, 2024	As at March 31, 2023
Securities Premium Account		
Opening Balance	2,561.96	2,561.96
Add : Received during the year	-	-
Closing Balance	2,561.96	2,561.96
General Reserve		
Opening Balance	644.79	644.79
Add : Transferred from surplus in the Statement of Profit and Loss	-	-
Closing Balance	644.79	644.79
Retained Earnings		
Opening Balance	9,237.99	8,179.66
Add : Profit for the year	320.99	1,241.92
Add : Transfer from Other Comprehensive Income	31.81	5.00
Less: Appropriations		
Dividend on Equity Shares	188.59	188.59
Closing Balance	9,402.20	9,237.99
Other Comprehensive Income (OCI)		
Opening Balance	-	-
Add: Re-measurement of Defined Benefit Plans	31.81	5.00
Less : Transferred to Retained Earnings	31.81	5.00
Closing Balance	-	-
TOTAL	12,608.95	12,444.74

NOTES TO FINANCIAL STATEMENTS

NOTE NO. 16 BORROWINGS (NON CURRENT)

(Rs. In Lacs)

Particulars	As at March 31, 2024	As at March 31, 2023
(i) Secured Term Loans		
(a) From Banks	11,297.24	2,415.38
(b) From State Financial Institution	2,523.30	3,029.98
(c) From NBFC	1,000.00	-
(d) Deferred Payment Credit of Supplier	799.62	587.01
	15,620.16	6,032.37
Less : Processing Charges on Term Loans to be amortised	94.25	-
Less: Installments payable of Term Loan under (a), (b) & (c) above shown in Current Liability in Note No. 25	2,026.47	933.02
	13,499.45	5,099.35
(iii) Unsecured Loans and Advances		
Loans from other parties (Bodies Corporate)	139.70	100.00
Loans from related parties	1,401.00	1,440.50
	1,540.70	1,540.50
	15,040.15	6,639.85

(i) Secured Term Loans

- a) Rupee Term Loan of Rs. 2523.30 Lacs from State financial institution, Rs. 4949.63 Lacs & Rs. 3700 Lacs from two banks are secured by way of joint first charge ranking pari-passu of all immovable properties (by way of deposit of Title Deeds of Lease Hold Land), both present and future and over movable assets (save and except current assets) including its movable plant and machinery, machinery spares, tools and accessories, non trade receivables and other movables, both present and future. These loans have also been guaranteed by Managing Director and one other Director of the Company. These Loans are repayable in structured instalments over a period of 6-8 years.
- b) GECL / ECLGS Term Loan of Rs. 90.89 Lacs from three banks are Secured by way of second ranking charge of hypothecation of current assets and second charge on company's entire fixed assets at Udaipur on pari passu basis with other working capital lenders. These Loans are repayable in 3 years and will get fully repaid during the year 2024-25.
- c) Rupee Term Loan of Rs. 2452.33 Lacs is secured by way of mortgage over freehold land and subservient charge on movable fixed assets of the company. These loans have also been guaranteed by Managing Director and one other Director of the Company and are repayable over a period of 6 years in 24 quarterly installments commencing from 14th December 2024.
- d) Rupee Term Loan of Rs. 1000 Lacs from a NBFC is secured by way of charge over movable fixed assets of the company on pari passu basis alongwith Industrial Property situated at Udaipur. These loans have also been guaranteed by Managing Director and one other Director of the Company. This loan is repayable in 48 monthly installments commencing from 5th March 2025.
- e) Two Vehicles Loans aggregating to Rs. 104.40 Lacs are secured by way of hypothecation of the respective vehicles and are repayable over period of 3-5 years.
- f) Deferred Payment Credits aggregating to Rs.799.62 Lacs, are secured by way of hypothecation of the Solar Power Plant of the capacity 2059 KW installed in the year 2022-23 and 1541 KW installed in two parts during the year at the plant at Udaipur. These plant have been supplied and commissioned by the same party which has financed these plants. These loan are repayable in 36 monthly & 60 monthly equal installments beginning from May 22 for the 2059 KW and September 23 for the first part and February 24 for the second part of 1541 KW respectively.

ii) Unsecured Loans & Advances

Terms of Repayment of Unsecured Loans

Aggregate Amount outstanding	Weighted Average ROI	
Rs.1540.70 Lacs (P.Y. Rs.1540.50 Lacs)	9.75%	There are no stipulations for repayments. However the Company has obtained letters/undertakings from lenders that they will seek repayments of their outstanding Loans as on 31.03.2024, only after 31.03.2025.

NOTES TO FINANCIAL STATEMENTS

NOTE NO.17 TRADE PAYABLES (Unsecured)

(Rs. In Lacs)

Particulars	As at March 31, 2024	As at March 31, 2023
Due to Micro Enterprises and Small Enterprises	-	-
Due to other than Micro Enterprises and Small Enterprises	216.46	220.03
Total	216.46	220.03

Particulars	Outstanding for following periods from due date of payments						Total
	Unbilled	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
i) Undisputed Trade Payable as at 31.03.24							
Due to Micro and Small Enterprises\$	-	-	-	-	-	-	-
Due to other than Micro and Small Enterprises	-	-	-	-	4.17	0.10	4.27
ii) Undisputed Trade Payable as at 31.03.23							
Due to Micro and Small Enterprises	-	-	-	-	-	-	-
Due to other than Micro and Small Enterprises	-	-	-	-	6.44	5.24	11.67
iii) Disputed Trade Payable as at 31.03.24							
Due to Micro and Small Enterprises							-
Due to other than Micro and Small Enterprises						212.19	212.19
iv) Disputed Trade Payable as at 31.03.23							
Due to Micro and Small Enterprises							-
Due to other than Micro and Small Enterprises						208.36	208.36

* Principal amount outstanding as at the year end, there is no overdue amount and is not over 45 days towards principal and interest due to Micro and Small Enterprises. During the period, no interest has been paid to such parties. This information has been determined to the extent such parties have been identified on the basis of information available with the company.

NOTE NO.18 Other Financial Liabilities

(Rs. In Lacs)

Particulars	As at March 31, 2024	As at March 31, 2023
Security Deposits	30.59	44.87
	30.59	44.87

NOTE NO.19 PROVISIONS (NON CURRENT)

(Rs. In Lacs)

Particulars	As at March 31, 2024	As at March 31, 2023
Provision for Employee Benefits		
Provision for compensated absence	47.43	47.59
	47.43	47.59

NOTES TO FINANCIAL STATEMENTS

NOTE NO.20 DEFERRED TAX LIABILITIES (NET)

(Rs. In Lacs)

Particulars		As at March 31, 2024	As at March 31, 2023
(i) Deferred Tax Liabilities		3,544.62	2,952.39
	(a)	3,544.62	2,952.39
(ii) Deferred Tax Assets		554.30	180.68
(iii) MAT credit Entitlement		108.28	-
	(b)	662.58	180.68
Total (a-b)		2,882.04	2,771.71

NOTE NO.21 SHORT TERM BORROWING (CURRENT)

(Rs. In Lacs)

Particulars	As at March 31, 2024	As at March 31, 2023
Loan repayable on demand from banks (Secured)	2,308.69	2,122.03
Temporary Overdraft from bank against fixed deposits	2,632.00	3,618.45
Current Maturities of Long Term Borrowings (Refer Note No. 16)	2,026.47	933.02
Bill Discounted (Suppliers from Banks, Unsecured)	5,868.67	6,312.18
	12,835.83	12,985.68

(a) Borrowings of Rs. 2308.70 Lacs (P.Y. Rs. 2122.48 Lacs) from banks towards working capital are secured on pari passu basis by way of joint hypothecation first charge on entire inventories, trade receivables and other current assets present & future and secured by second pari passu charge on fixed assets of the Company. Such borrowings are also guaranteed by the Managing Director and one other Director of the Company.

NOTE NO.22 TRADE PAYABLES (Unsecured)

(Rs. In Lacs)

Particulars	As at March 31, 2024	As at March 31, 2023
Due to Micro Enterprises and Small Enterprises	191.95	99.41
Due to other than Micro Enterprises and Small Enterprises	1,482.24	1,337.82
Total	1,674.19	1,437.23

Particulars	Outstanding for following periods from due date of payments						Total
	Unbilled	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
i) Undisputed Trade Payable as at 31.03.24							
Due to Micro and Small Enterprises\$	14.63	142.51	34.81				191.95
Due to other than Micro and Small Enterprises	70.17	1,113.47	289.35	9.25	-	-	1,482.24
ii) Undisputed Trade Payable as at 31.03.23							
Due to Micro and Small Enterprises	7.13	92.28					99.41
Due to other than Micro and Small Enterprises	187.98	965.61	178.21	6.02	-	-	1,337.82
iii) Disputed Trade Payable as at 31.03.24							
Due to Micro and Small Enterprises							-
Due to other than Micro and Small Enterprises						-	-

NOTES TO FINANCIAL STATEMENTS

Particulars	Outstanding for following periods from due date of payments						Total
	Unbilled	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
iv) Disputed Trade Payable as at 31.03.23							
Due to Micro and Small Enterprises							-
Due to other than Micro and Small Enterprises						-	-

* Principal amount outstanding as at the year end, there is no overdue amount and is not over 45 days towards principal and interest due to Micro and Small Enterprises. During the period, no interest has been paid to such parties. This information has been determined to the extent such parties have been identified on the basis of information available with the company.

NOTE NO.23 OTHER FINANCIAL LIABILITIES

(Rs. In Lacs)

Particulars	As at March 31, 2024	As at March 31, 2023
Interest Accrued but not due on Loans	61.23	84.39
Unclaimed Dividend	21.09	22.47
Expenses Payable	1,269.05	1,341.34
Total	1,358.07	1,448.20

NOTE NO.24 OTHER CURRENT LIABILITIES

(Rs. In Lacs)

Particulars	As at March 31, 2024	As at March 31, 2023
Advance From Customers	178.75	363.74
Statutory Dues	110.65	134.48
Total	289.40	498.22

NOTE NO.25 PROVISIONS (CURRENT)

(Rs. In Lacs)

Particulars	As at March 31, 2024	As at March 31, 2023
Provision for Employee Benefits		
Provision for Gratuity	38.13	-
Provision for compensated absence	102.69	92.98
Total	140.82	92.98

NOTE NO.26 REVENUE FROM OPERATIONS

(Rs. In Lacs)

Particulars	As at March 31, 2024	As at March 31, 2023
A Sale of Products	35,595.55	35,805.17
B Other Operating Revenue		
Net Gain/(Loss) on Foreign Currency translation and transactions - sales	208.00	(95.16)
Export Incentives	842.27	661.00
Sale of Scrap	72.98	96.58
Claim Receipt	-	20.19
	1,123.25	682.61
	36,718.80	36,487.78

NOTES TO FINANCIAL STATEMENTS

NOTE NO.27 OTHER INCOME

(Rs. In Lacs)

Particulars	As at March 31, 2024	As at March 31, 2023
Interest Income	386.98	307.63
Unspent Liabilities/Sundry Balances Written Back (Net)	6.29	250.77
Rent Received	3.60	3.60
Profit on Disposal of Fixed Assets (Net)	0.56	-
Gain on Security Deposit	22.03	20.02
Misc Receipt	7.19	5.85
Provision for doubtful debts written back	-	28.05
	426.65	615.92

NOTE NO.28 COST OF MATERIAL CONSUMED

(Rs. In Lacs)

Particulars	As at March 31, 2024	As at March 31, 2023
Opening Stock of Raw Material	1,750.33	1,272.20
Add:- Purchases and incidental Expenses	19,656.32	19,040.35
Less:- Closing Stock of Raw Materials	1,764.08	1,750.33
	19,642.57	18,562.22

NOTE NO.29 (INCREASE)/DECREASE IN INVENTORIES ON FINISHED GOODS, WORK-IN-PROGRESS AND TRADED GOODS, ETC.

(Rs. In Lacs)

Particulars	As at March 31, 2024	As at March 31, 2023
Closing Inventories		
Work-in-Progress	1,568.38	1,073.97
Finished Goods	1,791.54	1,459.92
Waste	8.71	0.39
Scrap and Residual Materials	2.27	2.86
Total	3,370.90	2,537.15
Opening Inventories		
Work-in-Progress	1,073.97	1,119.04
Finished Goods	1,459.92	1,883.70
Waste	0.39	1.15
Scrap and Residual Materials	2.86	2.84
Total	2,537.14	3,006.73
	(833.76)	469.58

NOTE NO.30 EMPLOYEE BENEFITS EXPENSES

(Rs. In Lacs)

Particulars	As at March 31, 2024	As at March 31, 2023
Salaries, Wages, Bonus and Benefits, etc.	5,291.89	4,444.68
Contribution to Provident and Other Funds, etc.	367.01	326.31
Employees Welfare Expenses	90.41	71.26
Workman Compensation	35.30	14.85
Commission on Profit	-	162.00
Incentive to Director (Variable Pay)	-	90.00
	5,784.61	5,109.09

NOTES TO FINANCIAL STATEMENTS

NOTE NO.31 FINANCE COSTS

(Rs. In Lacs)

Particulars	As at March 31, 2024	As at March 31, 2023
Interest Expense*	1,182.93	852.21
Other Borrowing Costs	773.61	540.97
	1,956.54	1,393.18

*(After adjustment of Rs 185.21 Lacs (PY Rs 197.44 Lacs) towards interest subsidies under TUFs/ state schemes.

NOTE NO.32 DEPRECIATION AND AMORTISATION EXPENSE

(Rs. In Lacs)

Particulars	As at March 31, 2024	As at March 31, 2023
On Property, Plant and Equipment & Intangible Assets	836.15	799.13
On Right to use Assets	172.76	172.86
On Investment Property	3.70	3.70
	1,012.61	975.69

NOTE NO.33 OTHER EXPENSES

(Rs. In Lacs)

Particulars	As at March 31, 2024	As at March 31, 2023
Consumption of Stores and Spares	1,147.50	973.64
Packing Materials	835.05	770.81
Power and Fuel	3,925.85	3,265.27
Freight and Transportation	1,211.79	2,168.19
Rent	20.20	5.10
Repair & Maintenance		
- Plant & Equipments	76.47	84.45
- Buildings	55.63	101.32
Insurance	63.11	67.47
Rates & Taxes	67.60	13.15
Travelling and Conveyance	236.76	187.21
Commission and Brokerage on sales	639.83	552.64
Cash discount to Debtors	120.22	117.39
Miscellaneous Expenses	574.13	513.09
Corporate Social Responsibility (CSR) Expenses	35.77	31.86
Loss on Sales of Fixed Assets	-	46.92
Loss on Sales of Duty Script	-	20.10
Exchange Difference	10.22	4.57
	9,020.13	8,923.19

NOTES TO FINANCIAL STATEMENTS

NOTE NO.34 INCOME TAX

(Rs. In Lacs)

Particulars	As at March 31, 2024	As at March 31, 2023
Amount Recognised in the Statement of Profit and Loss		
Current Tax	104.00	280.00
Tax for earlier year	30.65	11.78
Deferred Tax	206.35	268.09
Mat Credit Entitlement	(99.24)	(131.04)
Total Tax Expense	241.76	428.83
Reconciliation of effective tax rate:		
Particulars		
Net profit before income tax	562.75	1,670.75
Applicable Statutory Income Tax Rate	27.82%	27.82%
Income Tax Expenses calculated at 27.82% (previous year was 27.82%)	156.56	464.80
Add:- Tax Incidence on additions		
i) Disallowance u/s 43B	46.30	48.86
ii) Other Disallowances	16.23	13.05
TOTAL- A	219.09	526.71
Less:- Tax incidence on deduction		
i) Difference of Book Dep and Income tax Dep	573.84	311.66
ii) Allowance u/s 43-B	27.21	24.06
iii) Others	34.43	42.32
TOTAL- B	635.48	378.04
Tax on Loss	NET (A-B)	(416.39)
Diffrence between MAT and above	312.39	131.33
MAT	104.00	280.00
Effective MAT rate	18.123%	16.766%

NOTES TO FINANCIAL STATEMENTS

NOTE NO. 35 Material Accounting Policies and Notes on Financial Statements:

A. CORPORATE INFORMATION :

Reliance Chemotex Industries Limited (CIN No.L40102RJ1977PLC001994) is a public limited company domiciled and incorporated in India and its shares are publicly traded on the BSE, in India. The registered office of Reliance Chemotex Industries Limited is at Village Kanpur, Udaipur District, Rajasthan 313003. The Company is primarily engaged in the manufacturing and sale of Synthetic & blended Yarn.

B. Material Accounting Policies Information

i. Material Accounting Policies Information

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act), read with the Companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the Act.

Entity specific disclosure of material accounting policies where Ind AS permits options is disclosed hereunder.

The Company has assessed the materiality of the accounting policy information which involves exercising judgements and considering both qualitative and quantitative factors by taking into account not only the size and nature of the item or condition but also the characteristics of the transactions, events or conditions that could make the information more likely to impact the decisions of the users of the financial statements.

Entity's conclusions that an accounting policy is immaterial does not affect the disclosures requirements set out in the financial statements.

ii. Basis of Preparation of Financial Statements:

a. The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as prescribed under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) (Amendment) Rules, 2016 and relevant provisions of the Companies Act, 2013. Date of Transition to Ind AS 2017 is 01.04.2016.

b. Historical cost convention

The financial statements have been prepared on a historical cost basis, except for the following:

- 1) certain financial assets and liabilities that are measured at fair value;
- 2) defined benefit plans - plan assets measured at fair value.

c. Use of estimates and judgments

The estimates and judgments used in the preparation of the financial statements are continuously evaluated by the Company and are based on historical experience and various other assumptions and factors (including expectations of future events) that the Company believes to be reasonable under the existing circumstances. Differences between actual results and estimates are recognised in the period in which the results are known/materialised.

The said estimates are based on the facts and events, that existed as at the reporting date, or that occurred after that date but provide additional evidence about conditions existing as at the reporting date."

d. Current non-current classification

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle (twelve months) and other criteria set out in the Schedule III to the Companies Act., 2013.

e. The financial statements of the Company are presented in Indian Rupee (INR), which is also the functional currency of the Company.

NOTES TO FINANCIAL STATEMENTS

iii. Property, Plant and Equipment

The company consider the previous GAAP carrying value of all its Properties, Plants and Equipment except freehold and leasehold land as deemed cost at the transition date i.e. 1st April 2016. The Company has adopted optional exemption under IND AS 101 to measure free hold land & lease hold land at fair value and consequently the fair fair value has been assumed to be deemed cost in case of free hold land & lease hold land on the date of transition.

Property, Plant and Equipment acquired after the transition dates are stated at cost less accumulated depreciation. Cost include expenses directly attributable to bringing the assets to the location and condition necessary for it to be capable of operating in the manner intended by management.

iv. Intangible Assets :

Intangible assets comprise of computer software. Expenditure incurred on intangible assets which are under development is included under intangible assets under development.

v. Depreciation/Amortisation

Depreciation on Property , Plant & Equipment is calculated on straight line method using the rates arrived at based on the estimated useful life reviewed at the end of year which is same as given in schedule II of the Companies Act 2013 except as under : -

- Office Equipments are depreciated over 10 years.
- Intangible Assets (Computer Software) is amortised over 5 Years.
- Individual Assets costing below 5000/- are depreciated on prorata basis over one year from the date of acquisition. "

vi. Investment Property

Investment properties are measured at deemed cost less accumulated depreciation and impairment losses, if any.

The cost and related accumulated depreciation are eliminated from the financial statements, upon sale, disposition and withdrawal from permanent use of the assets and when no future economic benefits are expected from its disposal. The resultant gains or losses are recognised in statement of profit and loss.

vii. Valuation of Inventories:

Inventories of Raw Materials, Work-in-Progress, Stores and spares, Finished Goods are stated 'at cost or net realisable value, whichever is lower'. Goods-in-Transit are stated 'at cost'. Cost comprise all cost of purchase, cost of conversion and other costs incurred in bringing the inventories to their present location and condition. Cost of stores and spares has been computed on weighted Average method and raw material has been computed on First-in-First-out Method, Scrap and waste has been valued on net realisable value. Due allowance is estimated and made for defective and obsolete items, wherever necessary. Scrap and waste has been valued at net realisable value.

viii. Lease

The Company's lease asset class primarily consists of lease for building and leasehold land. The Company, at the inception of a contract, assesses whether the contract is a lease or not a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a time in exchange for a consideration. This policy has been applied to contract existing and entered into on or after April 1, 2019. The Company has elected not to recognize Right-of-use Assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Company recognizes the lease payments associated with these leases as an expense over the lease term. The Company recognizes a Right-of-use Asset and a lease liability at the lease commencement date. The Right-of-use Asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial costs incurred. The Right-of-use Asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term. The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the Company's incremental borrowing rate. Subsequently, lease liabilities are measured on amortized cost basis. In the comparative period, lease

NOTES TO FINANCIAL STATEMENTS

payments under operating leases are recognized as an expense in the statement of profit and loss over the lease term.

ix. Revenue/Income Recognition:

(a) Revenue from contract with customers

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customers at an amount that reflects the consideration to which the company expects to be entitled in exchange of promised performance obligations.

In case of sale of goods, transfer of control of the goods to the customer generally coincides with dispatch of goods to customer and is measured at a transaction value representing the related performance obligation. Transaction price is determined after considering the impact of variable considerations, returns, claims, rebates and other pricing allowances, trade & volume discounts (if any).

(b) Other Operating Revenue Export Incentives

Revenue in respect of the export incentives is recognized on post export basis. Duty Drawback benefits are accounted for on accrual basis.

(c) Interest:-

Interest income is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.

(d) Insurance and Other Claim:-

Revenue in respect of insurance & other claims is recognized when no significant uncertainty exists with regard to the amount to be realized and the ultimate collection thereof.

x. Employee benefits

Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the reporting period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled.

Defined Contribution Plans:

Provident Fund

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service.

Defined Benefit Plans

Gratuity and Compensatory Absence

The Company provides for Gratuity and Compensatory Absence, a defined benefit retirement plan covering eligible employees of the Company. The present value of the obligations under such defined benefit plans is determined based on actuarial valuations using the Projected Unit Cost Method.

Actuarial gain/loss, if any, arising from or adjustments and change in actuarial assumptions are charged or credited to Other Comprehensive income in the period in which they arise.

xi. (a) Foreign Currency Transactions:

Transactions and balances

Transactions in foreign currencies are recognised at the prevailing exchange rates on the transaction dates. Realised gains and losses on settlement of foreign currency transactions are recognised in the Statement of Profit and Loss.

NOTES TO FINANCIAL STATEMENTS

Monetary foreign currency assets and liabilities at the year-end are translated at the year-end exchange rates and the resultant exchange differences are recognised in the Statement of Profit and Loss.

(b) Exchange Forward Contracts:

The company uses Exchange Forward Contracts to hedge its risks associated with foreign currency related to firm commitments and highly probable forecasted transactions. The company does not enter into any forward contracts which are intended for trading or speculation purposes.

Profit/ Loss on cancellation of unutilised portion of forward Exchange contracts is accounted for as income/ Expense for the period in which cancellation of contract take place.

The company accounts for Mark to Market (MTM) gains/losses on unutilised foreign exchange forward contracts at the end of each reporting period.

(C) Borrowing Costs:

Interest and other costs connected with the borrowing for the acquisition / construction of qualifying fixed assets are capitalised up to the date such asset are put to use and other borrowing cost are charged to statement of profit & loss. Borrowing cost includes exchange rate difference to the extent regarded as an adjustment to the borrowing cost.

xii. Taxation:

Income tax expense represents the sum of current and deferred tax (including MAT)

(a) Current tax :-

Current income tax assets and liabilities are measured at the amount to be recovered from or paid to taxation authorities. The tax rates and tax laws used to compute the amount are according to the prevailing tax Law on the reporting date. Income tax expense is recognised in the Statement of Profit and Loss, except to the extent that it relates to items recognized directly in equity or other comprehensive income, in such cases the tax is recognised directly in equity or in other comprehensive income.

(b) Deferred tax:

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the Balance sheet and the tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences, and deferred tax assets are generally recognized for all deductible temporary differences, Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which those deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilised. Deferred tax assets and deferred tax liabilities are off set, and presented as net. The carrying amount of deferred tax asset / liability is reviewed at each reporting date and necessary adjustments are made in the books of accounts accordingly.

(c) MAT :

Credit of MAT is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the MAT credit becomes eligible to be recognised as an asset, the said asset is created by way of a credit to the profit and loss account and shown as MAT credit entitlement.

xiii. Government Grant/ Interest Subsidy:

Government Grants are recognised where there is reasonable assurance that the grant will be received and all attached condition will be complied with. Grants related to specific fixed assets are deducted from the gross value of the concerned assets in arriving at their book values. Investment subsidy/employment generation subsidy / Interest rate subsidy and other revenue grants are credited to Statement of Profit and Loss or deducted from the related expenses.

NOTES TO FINANCIAL STATEMENTS

xiv. Impairment of Non Financial Assets:

The Management periodically assesses using external and internal sources whether there is any indication that an asset may be impaired. Impairment of an asset occurs where the carrying value exceeds the present value of the cash flow expected to arise from the continuing use of the asset and its eventual disposal. A provision for impairment loss is made when the recoverable amount of the asset is lower than the carrying amount.

xv. Provisions and Contingent liabilities and Contingent Assets

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses. Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense. Contingent Liabilities are disclosed in respect of possible obligations that arise from past events but their existence will be confirmed by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Company or where any present obligation cannot be measured in terms of future outflow of resources or where a reliable estimate of the obligation cannot be made. Contingent assets are not recognised in the financial statements.

xvi. Cash and Cash Equivalents

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

xvii. Dividend:-

Final dividend on Equity shares are recorded as a liability on the date of approval by the shareholders and interim dividend are recorded as a liability on the date of declaration by the company's Board of Directors.

xviii. Earning Per Share -

Basic earning per equity share is computed by dividing the net profit attributable to the equity holders of the company by the weighted average number of equity shares outstanding during the period. Diluted earning per equity share is computed by dividing the net profit attributable to the equity holders of the company by the weighted average number of equity shares considered for deriving basic earning per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

NOTES TO FINANCIAL STATEMENTS

NOTE NO. 36 Fair value of Financial Assets and Financial Liabilities

(Rs. In Lacs)

Sr. No.	Particulars	as at 31 st March, 2024		as at 31 st March, 2023	
		Carrying Value	Fair Value	Carrying Value	Fair Value
I	Financial Assets				
(a)	At Fair Value :-	-	-	-	-
	- Investments in Mutual Funds				
	At Amortised Cost				
	- Trade Receivables	614.64	614.64	740.56	740.56
	- Loans, Security Deposit and Others	1,152.49	1,152.49	1,272.90	1,272.90
	- Cash and Cash Equivalents	27.19	27.19	404.36	404.36
	- Other Bank Balances	5,031.72	5,031.72	5,749.60	5,749.60
	Total Financial Assets	6,826.04	6,826.04	8,167.42	8,167.42
II	Financial Liabilities				
(a)	At Amortised Cost				
	- Borrowings	27,875.98	27,875.98	19,625.53	19,625.53
	- Trade Payables	1,890.65	1,890.65	1,657.26	1,657.26
	- Lease Liabilities	222.70	222.70	309.05	309.05
	- Other Financial Liabilities	1,388.66	1,388.66	1,493.07	1,493.07
	Total Financial Liabilities	31,377.99	31,377.99	23,084.91	23,084.91

The fair value of financial assets and liabilities are included at the amount at which instruments could be exchanged in a current transaction between the willing parties. The following methods and assumptions were used to estimate the fair value:

The fair values of cash and cash equivalents, other bank balances, trade receivables, loans, other financial assets, short term borrowings, trade payables, and other financial liabilities approximates their carrying amounts largely due to the short-term maturities of these instruments. Company has adopted Effective Interest Rate Method (EIR) for fair valuation of long term borrowings.

NOTES TO FINANCIAL STATEMENTS

NOTE NO .37 Financial Risk Management Objectives and Policies:

The Company's activities are exposed to a variety of Financial Risk from its Operations. The key financial risk include Market risk, Credit risk and Liquidity risk.

(a) Market Risk: Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises mainly three types of risk, Foreign currency risk, Interest rate risk and other price risk such as Equity price risk and Commodity Price risk.

(b) Foreign Currency Risk:

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company is exposed to foreign exchange risk arising from foreign currency transactions of imports, exports and borrowing primarily with respect to USD and Euro. The Company's exports are denominated generally in USD, providing a natural hedge to some extent against foreign currency payments on account of imports of raw materials and/or the payment of borrowings. The foreign currency transaction risk are managed through selective hedging programmes by way of forward contracts including for underlying transactions having firm commitments or highly probable forecast of crystallisation.

The Company uses forward exchange contracts to hedge its exposure in foreign currency. The details of foreign currency exposures hedged by derivative instruments and those have not been hedged are as follows:

Particulars	Currency	as at 31 st March, 2024		as at 31 st March, 2023	
		In Foreign Currency	(Rs. In Lacs)	In Foreign Currency	(Rs. In Lacs)
Hedged :					
Forward exchange contracts outstanding					
Long-term borrowing	USD				
Export Outstanding	Rs.		227.82		302.77
Total	USD	-	227.82	-	302.77
Unhedged :					
Long-term borrowings	USD	-	-	-	-
	EUR	-	-	-	-
Long-term borrowings FCNR	USD	-	-	-	-
	EUR	-	-	-	-
Commission in Export Sales	USD	1,42,323	118.70	1,40,949	115.82
	EUR	-	-	-	-
Bank/ Cash Balances	USD	-	-	1,000	0.82
	EUR	10,435	9.40	150	0.13
	TRY	76	(Rs. 196)	76	(Rs. 196)
	CHF	5,985	5.53		
Import	USD	-	-	-	-
Total	USD	1,42,323	118.70	1,41,949	116.64
	CHF	5,985	5.53	-	-
	EUR	10,435	9.40	150	0.13

NOTES TO FINANCIAL STATEMENTS

(c) Foreign Currency Sensitivity:

The following table demonstrates the sensitivity to a reasonably possible change in USD with all other variables held constant. The impact on company's profit before tax is due to changes in the foreign exchange rate for:

Particulars	As at March 31, 2024	As at March 31, 2023
Change in USD	-3%	-3%
Effect on profit before tax (Rs. In Lacs)	(14)	(3)
Change in USD	3%	3%
Effect on profit before tax (Rs. In Lacs)	14	3

Particulars	As at March 31, 2024	As at March 31, 2023
Change in EUR	5%	5%
Effect on profit before tax (Rs. In Lacs)	3	0
Change in EUR	-7%	-7%
Effect on profit before tax (Rs. In Lacs)	(4)	(0)

The assumed movement in basis points for the interest rate sensitivity analysis is based on the currently observable market environment.

(d) Interest Rate Risk and Sensitivity:

The Company is having fixed rate long term borrowings which are not exposed to any risk of changes in market interest rates.

(e) Commodity price risk:

The Company is affected by the price volatility of certain commodities. Its operating activities require the purchase of raw material and therefore, require a continuous supply of certain raw materials. To mitigate the price risk, the company has an approved supplier base to get the best competitive prices for the commodities and to manage the cost without any compromise on quality.

(f) Equity price risk:

The Company's exposure to equity instruments price risk arises from investments held by the company and classified in the balance sheet at fair value through OCI. Having regard to the nature of securities, intrinsic worth, intent and long term nature of securities held by the company, fluctuation in their prices are considered acceptable and do not warrant any management estimation.

(g) Credit Risk:

Credit risk is the risk that counterparty might not honor its obligations under a financial instrument or customer

contract, leading to a financial loss. The company is exposed to credit risk from its operating activities (primarily trade receivables).

Trade Receivables:

Customer credit risk is managed based on company's established policy, procedures and controls. The company assesses the credit quality of the counterparties, taking into account their financial position, past experience and other factors.

Credit risk is reduced by receiving pre-payments and export letter of credit to the extent possible. The Company has a well defined sales policy to minimize its risk of credit defaults. Outstanding customer receivables are regularly monitored and assessed. The Company follows the simplified approach for recognition of impairment loss and the same, if any, is provided as per its respective customer's credit risk as on the reporting date

(h) Deposits with Bank:

The deposits with banks constitute mostly the investment made by the company against bank guarantee and letter of credits and are generally not exposed to credit risk.

NOTES TO FINANCIAL STATEMENTS

(i) Liquidity Risk:

Liquidity risk is the risk, where the company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The company's approach is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when due.

The table below summarises the maturity profile of company's financial liabilities based on contractual undiscounted payments:

(Rs. In Lacs)

Particulars	Carrying Value	Payable on Demand	Upto 12 Months	1 to 5 years
As at 31st March 2024				
Borrowings*	27,875.98	12,835.83	2,026.47	13,013.68
Trade and Other Payables	1,890.65	-	1,890.65	-
Total	29,766.63	12,835.83	3,917.12	13,013.68
As at 31st March 2023				
Borrowings*	19,625.53	12,985.68	933.02	5,706.83
Trade and Other Payables	1,657.26	-	1,437.23	220.03
Total	21,282.79	12,985.68	2,370.25	5,926.86

* Including working capital facility from consortium banks renewed every year and current maturity of long-term borrowings.

NOTE NO. 38 Capital Management:

The Company's policy is to maintain an adequate capital base so as to maintain creditor and market confidence and to sustain future development. Capital includes issued capital, share premium and all other equity reserves attributable to equity holders.

The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. Net Debt is calculated as borrowings less cash and cash equivalents.

(Rs. In Lacs)

Particulars	As at March 31, 2024	As at March 31, 2023
Borrowings*	27,876	19,626
Less: Cash and Cash equivalents	5,032	6,154
Net debt	22,844	13,472
Equity Share Capital	756	756
Preference Share Capital	-	-
Other Equity	12,609	12,445
Total Capital	13,365	13,201
Capital and net debt	36,209	26,672
Gearing ratio	0.63	0.51

NOTE NO. 39

(Rs. In Lacs)

Particulars	As at March 31, 2024	As at March 31, 2023
Estimated amount of contracts remaining to be executed on Capital Account and not provided for	104	3,077

NOTES TO FINANCIAL STATEMENTS

NOTE NO. 40

(Rs. In Lacs)

Particulars	As at March 31, 2024	As at March 31, 2023
Contingent Liabilities not provided for in respect of		
i) Bonds executed in favour of Customs and Excise Authorities	100.00	100.00
ii) Claims not acknowledged as debts (Disputed by the Company and or appealed against);		
a) Demand of Income Tax	1,175.79	1,175.79
b) Demands by Excise department (including Service Tax)	2.65	2.65
c) Demands of workers	15.48	15.48
d) Goods & Service Tax	206.90	-
iii) Others	389.23	389.23

NOTE NO. 41

(Rs. In Lacs)

Particulars	As at March 31, 2024	As at March 31, 2023
A) Amount Paid/Payable to Auditors:		
a) Statutory Audit Fee	7.70	7.00
b) Tax Audit Fee	2.68	2.44
c) Other Certification Charges	1.90	1.60
d) Reimbursement of Expenses	2.71	2.43
	14.99	13.47
B) Amount Paid/Payable to Cost Auditors Included in Misc. Expenses		
a) Audit Fees	0.60	1.20
b) Reimbursement of Expenses	0.49	0.26
	1.09	1.46

NOTE NO. 42

Accounts in respect of Current and Non-Current Liabilities, Trade Receivables , Other Current Assets, Loans and Advances and Deposits are subject to confirmations of respective parties.

NOTE NO. 43

The Board of Directors in their meeting held on 24th May 2024 has recommended a dividend of Rs. 1/- on per fully paid up equity share of Rs. 10/- each aggregating to Rs. 75.44 lacs for the financial year ended on 31st March 2024. The same is subject to the approval by the Shareholders in the ensuing Annual General Meeting of the Company.

NOTE NO. 44

Additional Regulatory Information pursuant to amendment in Schedule III of the Companies Act 2013 dated 24.03.2021 has been given to the extent applicable to the Company.

NOTES TO FINANCIAL STATEMENTS

NOTE NO. 45

Sl No.	Ratio	Numerator	Denominator	31-Mar-24	31-Mar-23	% charges from previous year
(I)	Current Ratio (in Times)	Total Current Assets	Total Current Liabilities	0.95	0.94	1.06
(II)	Debt Equity Ratio (in Times)	Total Debt*	Shareholder's Equity	2.09	1.50	39.33
	Explanation: Change in Debt Equity Ratio is Due to Increase of Debt					
(III)	Debt Service Coverage Ratio (in Times)	Earning for Debt Service	Debt Service	1.15	1.51	-23.84
	Explanation : Change in DSCR is due to lower profitability of the current year as compared to previous year.					
(IV)	Return on Equity (in %)	Net profits After Taxes	Average Shareholder's Equity	2.41%	9.86%	-75.56
	Explanation : Change in ROE is due to lower profitability of the current year as compared to previous year.					
(V)	Inventory Turnover Ratio (in Times)	Sales	Average Inventory	7.18	7.98	-10.03
(VI)	Trade Receivable Turnover ratio (in Times)	Sales	Average Trade Receivables	52.53	48.35	8.65
	Explanation : Change in Trade Receivables Turnover Ratio is due to higher debtors at the end of the current year.					
(VII)	Trade Payable Turnover Ratio (in Times)	Purchase	Trade Payables at Year End	11.74	11.50	2.09
(VIII)	Net Capital Turnover Ratio (in Times)	Net Sales	Working capital	(47.32)	(16.65)	184.20
	Explanation : Change in Net Capital Turnover Ratio is due to increase in sales of the current year as compared to previous year combined with reduction in net working capital.					
(IX)	Net Profit Ratio (in %)	Net Profit After Tax	Net Sales	0.90%	3.47%	-74.06
	Explanation : Change in Net Profit Ratio is due to reduction in net profit as compared to previous year.					
(X)	Return on Capital Employed	Earning Before Interest & Taxes	Capital Employed	5.72%	8.64%	-33.80
	Explanation : Change in Return on Capital Employed is due to lower profitability of the current year as compared to previous year.					
(XI)	Return On Investment			-	-	-
	(Not Applicable since no investment as at 31.03.2023)					

NOTES TO FINANCIAL STATEMENTS

NOTE NO. 46 Disclosure on Corporate Social Responsibility Expenses:

- a) Gross Amount required to be spent by the Company during the year 2023-24 in pursuance of the provision of Section 135 of the Companies Act, 2013 and rules made thereunder is Rs. 35.77 Lacs (Previous year Rs. 31.86 Lacs)

Sl. No.	Particulars	2023-24			2022-23		
		Amount Spent	Amount Overspent C/f	Total	Amount Spent	Amount Overspent C/f	Total
	Overspent last year	3.09		3.09	0.65		0.65
a)	Promoting Education and Employment. Enhancing Vocational Skills among children and livelihood enhancement projects.	11.00	-	11.00	9.01	-	9.01
b)	Eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation and making available safe "drinking water" and "disaster management", including relief and rehabilitation activities.	22.01	0.46	21.55	25.30	3.09	22.21
c)	Beautification and maintenance of Public Park ensuring environmental sustainability, ecological balance	0.13	-	0.13			
	Total	33.13	0.46	35.77	34.31	3.09	31.86

NOTE NO. 47 Disclosure as required under the Micro, Small and Medium Enterprises Development Act., 2006, to the extent ascertained and as per per notification number GSR 679 (E) dated 4th September, 2015.

(Rs. In Lacs)

SL. NO.	Particulars	As at March 31, 2024	As at March 31, 2023
(i)	The Principal amount and interest due thereon remaining unpaid to any supplier at the end of each financial year.	191.95	99.41
(ii)	The amount of interest paid by the buyer.	NIL	NIL
(iii)	The amount of interest due and payable for the period of delay in making payment.	NIL	NIL
(iv)	The amount of interest accrued and remaining unpaid	NIL	NIL
(v)	The amount of further interest remaining due and payable in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under Section 23 of the Micro Small and Medium Enterprise Development Act, 2006	NIL	NIL

NOTE NO. 48 Earnings Per Share (EPS)-

(Rs. In Lacs)

SL. NO.	Particulars	March 31, 2024	March 31, 2023
	The numerators and denominators used to calculate Basic and Diluted Earnings Per Share:		
i)	Net Profit (after tax)	320.99	1241.92
	Add :		
ii)	Basic/Weighted average number of Equity Shares outstanding during the year (B)	75,43,563	7543563
iii)	Nominal value of Equity shares (Rs.)	10	10
iv)	Basic/Diluted Earnings per Share (Rs.)	4.26	16.46

NOTES TO FINANCIAL STATEMENTS

NOTE NO. 49 Segment Information :

- (a) The Company has only one reportable Primary Business Segment i.e Yarn. Hence, no separate segment wise information of revenue, results and capital employed is given.
- (b) The following table shows the distribution of Company's Revenue from operations by geographical market, regardless of where the goods were produced :

(Rs. In Lacs)

SL. NO.	Geographical Segments	2023-24	2022-23
1	Domestic Market (Within India)	15,937.98	14,498.99
2	Overseas Market (Outside India)	19,657.57	21,306.18
Total		35,595.55	35,805.17

- (c) Sales to Four (P.Y. Two) Export Customers of the Company is Rs. 11311.30 Lacss (Previous Year Rs. 11246.13 Lacss) which is more than 10% of the Company's total turnover.

NOTE NO. 50 Revenue from contracts with customers :

- (a) Disaggregated revenue information (Refer Note No. 52)
- (b) Contract Balances

(Rs. In Lacs)

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
Trade Receivables	614.64	740.56
Contract Liabilities	178.75	363.74

Trade Receivables are non-interest bearing and are generally on payment terms of 30 to 90 days. Contract liabilities include Advances received against delivery of Yarn. The Performance obligation in relation to revenue recognition arising from contract with customer is satisfied upon customer clearance of goods sold.

- (d) Reconciling the amount of revenue recognised in the statement of Profit & Loss with the contracted price :

(Rs. In Lacs)

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
Revenue as per the Contracted Price	35,601.63	35,815.19
Adjustment		
Customer Claim	6.08	10.02
Revenue from Contract with Customers	35,595.55	35,805.17

NOTE NO. 51 Right-of-use Assets (Building) :

- a. Lease Liabilities Reconciliation

(Rs. In Lacs)

Sl. No.	Particulars	As at 31 st March, 2024	As at 31 st March, 2023
i)	Opening Lease Liabilities	309.05	321.98
ii)	Lease Liabilities accrued during the year	(0.55)	68.86
iii)	Interest on Lease Liabilities	15.39	19.42
iv)	Repayment / Actual Rent	101.19	101.21
v)	Closing Lease Liabilities	222.70	309.05

- b. The Company has taken certain offices and residential premises under operating lease agreements for short period. The aggregate lease rental of Rs. 101.19 Lacs (Previous year Rs. 101.21 Lacs) on such lease has been charged to the Statement of Profit and Loss.

NOTES TO FINANCIAL STATEMENTS

NOTE NO. 52

The disclosures required as per the Indian Accounting Standards (Ind-AS 19 - Employee Benefits) notified under the Companies (Indian Accounting Standards) Rules, 2015 are as under:

Defined - Contribution Plans

The Company offers its employees defined contribution plan in the form of provident fund(PF), family pensions fund (FPF) and Employees State Insurance Scheme (ESI) which covers substantially all regular employees. Contribution are paid during the year into separate funds under certain fiduciary-type arrangements. Both the employees and the company pay pre determined contribution into the provident funds, family pension fund and the Employees State Insurance Scheme. The Contributions are normally based on a certain proportion of the employee's salary.

Contribution to Defined Benefit Plan, recognized and charged off for the year are as under (excluding for on contracts payments):

(Rs. In Lacs)

Particulars	2023-2024	2022-2023
Provident Fund	126.63	107.03
Family Pension Fund	127.45	119.12
Employees State Insurance Scheme	90.06	81.87

Defined - Benefit Plans

The Company offers its employees defined- benefit Plans in the form of a Gratuity Scheme. Benefits under the defined benefit plan is typically based either on years of service and the employee's compensation (generally immediately before retirement). The Gratuity scheme covers substantially all regular employees. The Company contributes funds to Life Insurance Corporation of India, which is irrevocable. Commitments are actuarially determined at year end. The actuarial valuation is done based on ""Projected Unit Credit"" method. Gains & Losses of changed actuarial assumptions are charged to the profit and loss account. The obligations for leave encashment is recognised in the same manner as gratuity.

(Rs. In Lacs)

Sl. No.	Particulars	As at 31 st March, 2024 Gratuity (Funded)	As at 31 st March, 2023 Gratuity (Funded)
a.	Reconciliation of opening and closing balances of Defined Benefit Obligation		
	Defined Benefit obligation at beginning of the year	490.94	456.45
	Current Service Cost	79.35	72.49
	Interest Cost	35.55	30.35
	Past Service Cost	-	-
	Actuarial (gain)/ Loss	(50.44)	(10.24)
	Benefits paid	(6.38)	(58.11)
	Defined Benefit Obligation at year end	549.02	490.94
b.	Fair value of plan assets at beginning of the year	489.19	513.30
	Adjustment to opening Fair Value to Planned Assets	(447.92)	-
	Expected return on plan assets	(6.37)	(3.19)
	Interest Incurred	19.64	34.48
	Employer contribution	462.74	2.71
	Benefits Paid	(6.38)	(58.11)
	Fair Value of plan assets at year end	510.90	489.19
	Fair value of Plan assets	513.30	513.30
c.	Other Comprehensive Income		
	Actuarial (Gain)/Loss for the year	(50.44)	(10.24)
	Return of Plan Assets	6.37	3.19
	Actuarial (Gain)/Loss for the year recognised in OCI	(44.07)	(7.05)

NOTES TO FINANCIAL STATEMENTS

(Rs. In Lacs)

Sl. No.	Particulars	As at 31 st March, 2024 Gratuity (Funded)	As at 31 st March, 2023 Gratuity (Funded)
d	Major Categories of Plan Assets as % of Total plan	100%	100%
	Assets Interest based Scheme with Insurance companies		
e	Sensitivity Analysis		
	Discount Rate 1 % increase	508.64	455.06
	Discount Rate 1 % Decrease	596.95	533.51
	Change in Salaries increase 1 % increase	595.55	532.22
	1 % Decrease	509.24	455.63
f	Estimated expected benefit payments (in absolute terms i.e. undiscounted)		
	F.Y. First Year	156.51	140.88
	Second Year	11.54	24.30
	Third Year	37.98	10.67
	Fourth Year	26.24	37.03
	Fifth Year	22.67	24.83
	Sixth to Tenth Year	162.23	132.08
g	Actuarial Assumption		
	Particulars		
	Discount Rates	7.09%	7.29%
	Salary Escalation	4.00%	4.00%
	Mortality Rates	IALM (2012-14)	IALM (2012-14)
	Retirement age	58 Years	58 Years

Note No : 53 Related Party Disclosures:

Disclosures in respect of Related Parties as defined in Indian Accounting Standard 24 (Ind AS 24), with whom transactions were entered into at an arm's length and in the ordinary course of business for the year ended March 31, 2024

(i) Key Management Personnel and Relatives of Key Management Personnel

Mr. Ramadoss Srinivasan - Chairman
 Mr. Sanjiv Shroff (Managing Director)
 Mr. Rahul Shroff (Wholetime Director Designated as Executive Director)
 Mr. Ameya Shroff (Wholetime Director Designated as Executive Director)
 Mr. Nand Gopal Khaitan (Non Executive Director)
 Mrs. Dipika Shroff (Non Executive Director)
 Mr. Ram Niwas Sharma (Non Executive Director)
 Mr. Narayan Shroff (Non Executive Director)
 Mr. Chandrasekaran Rajagopalan (CFO)
 Mr. Utkarsh Gaur (Company Secretary)
 Relative of Key Managerial Person
 Mr. Shanker Lal Shroff, Chairman Emeritus (Father of Mr. Sanjiv Shroff)
 Mrs. Bimla Devi Shroff (Mother of Mr. Sanjiv Shroff)
 Mrs. Kavisha Rahul Shroff (Wife of Mr. Rahul Shroff)

NOTES TO FINANCIAL STATEMENTS

ii) Enterprises over which key Management Personnel and relative of such personnel is able to exercise significant influence or control

- a) Indo Textiles & Fibres Limited
- b) Spell Fashions Pvt. Ltd.
- c) A.R.Fibtex Pvt. Ltd.
- d) Khaitan & Co. LLP
- e) A.R. Commercial Private Limited
- f) A.S. Chemotex pvt. Ltd.
- g) Sunrise Producers Pvt. Ltd.
- h) Sunrise Cotton Industries Limited
- i) Modern Fibotex India Limited

(Rs. In Lacs)

Particulars	Key Managerial Person refer to (i)		Enterprises over which KMP is able to exercise significant influence, refer to (ii)	
	31.03.2024	31.03.2023	31.03.2024	31.03.2023
Legal & Professional Expenses Paid				
Khaitan and Co. LLP			1.00	8.00
Lease Rent Received				
Spell Fashions Pvt Ltd			3.60	3.60
Interest on Security Deposit				
A.R. Commercial Private Limited			9.18	8.34
Indo Textiles & Fibres Limited			11.01	10.01
A.S. Chemotex pvt. Ltd.			1.84	1.63
Interest paid/ payable on Loans taken				
Sanjiv Shroff	33.38	9.51		
Rahul Shroff	9.65	8.16		
Ameya Shroff	11.99	6.53		
Modern Fibotex India Limited			74.66	89.85
Sunrise Producers Pvt Ltd			11.75	10.51
Loan Received				
Rahul Shroff	104.00	98.00		
Ameya Shroff	228.50	107.00		
Sanjiv Shroff	364.00	433.50		
Modern Fibotex India Limited			135.00	19.50
Sunrise Producers Pvt Ltd			20.00	-
Repayment of Loans Received				
Rahul Shroff	45.50	89.50		
Ameya Shroff	162.00	66.00		
Sanjiv Shroff	245.00	210.00		
Modern Fibotex India Limited			439.00	42.00
Rent paid/Payable				
Indo Textiles & Fibres Limited			46.35	46.35
A.S. Chemotex pvt. Ltd.			18.90	18.90
A.R. Commercial Private Limited			14.40	14.40
Purchase for Sales Promotion				
Spell Fashions Pvt Ltd			14.76	19.81
Commission on sale of yarn				
A.R.Fibtex Pvt. Ltd.			29.47	47.97

NOTES TO FINANCIAL STATEMENTS

(Rs. In Lacs)

Particulars	Key Managerial Person refer to (i)		Enterprises over which KMP is able to exercise significant influence, refer to (ii)	
	31.03.2024	31.03.2023	31.03.2024	31.03.2023
Compensation to Key managerial Person (Year End)#				
Short Term employee benefit				
1 Rahul Shroff	101.43	193.43		
2 Ameya Shroff	89.40	181.40		
3 Sanjiv Shroff	110.40	202.40		
4 R. Chandrasekaran	56.31	53.06		
5 Utkarsh Gaur	8.70	5.92		
Sitting Fees to Non Executive Directors (Year End)	16.85	14.85		

Note:

The remuneration to Key Managerial Personnel's stated above does not include provision/payment towards incremental liability on account of gratuity and compensated absences since actuarial valuation is done for the Company as a whole.

Note No : 54

Relationship with struck off companies (as identified by consultrant on the basis of information furnished by the company)

Shares held by struck off Companies

Name of struck off company	No of shares held at 31.03.2024	No of shares held at 31.03.2023	Relationship
Vaishak Shares Limited	1	1	Not a Related Party

Note No : 55

The following satisfaction of charges have not been registered with ROC

(Rs. In Lacs)

SRN No.	Charge ID	Charge Holder Name	Date of Creation	Date of Modification	Date of Satisfaction	Amount	Reason for delay in Registration
Y10151751	90069231	State Bank of India	07-03-2005	-	Already Satisfied*	2,650.00	Technical Difficulties
C10075554	90067643	State Bank of India	07-03-2005	30/06/2014	Already Satisfied*	4,050.00	Technical Difficulties

* Old date not traceable

Note No : 56

Quarterly return or statement of current assets filed by the company with banks in respect of borrowings from banks on the basis of security of current assets are not having material variation with the books of accounts.

Note No : 57

The company has utilised the borrowings received from banks and financial institution for the purpose for which it was taken during the year.

NOTES TO FINANCIAL STATEMENTS

Note No : 58

Previous year figures have been regrouped / rearranged, wherever necessary.

Signatures to notes 1 to 58

Significant Accounting Policies and Notes to Accounts (Note No. 35 to 58)

As per our report of even date

For PKMB & Co.

Chartered Accountants

(Firm Registration No. 005311N)

P.K. Jain

Partner

M. No. 010479

UTKARSH GAUR

Company Secretary

M. No. A60237

R. CHANDRASEKARAN

Chef Financial Officer

SANJIV SHROFF

Managing Director

DIN - 00296008

RAHUL SHROFF

Excutive Director

DIN - 002301693

For & On behalf of Board of Directors

Place New Delhi

Dated: 24 May 2024

NOTICE OF FORTY-SIXTH (46th) ANNUAL GENERAL MEETING

Notice is hereby given that the 46th Annual General Meeting of the Members of Reliance Chemotex Industries Ltd. ("the Company") will be held on Wednesday, September 11, 2024, at 11:00 A.M. (IST) through Video Conferencing ("VC") / Other Audio-Visual Means ("OAVM"), to transact the following business:

ORDINARY BUSINESS:

Item No. 1 - Adoption of Audited Financial Statements

To adopt the Audited Financial Statements of the Company for the Financial Year ended on March 31, 2024, together with the Reports of the Board of Directors and the Statutory Auditors thereon.

Item No. 2 - Declaration of Dividend

To declare a Final Dividend of Rs. 1.00 /- per Equity Share of face value Rs. 10 each for the Financial Year ended on March 31, 2024.

Item No. 3 - Appointment of a Director retiring by rotation

To appoint a Director in place of Mr. Sanjiv Shroff (DIN: 00296008), who retires by rotation and being eligible, offers himself for re-appointment.

Item No. 4 - Appointment of a Director retiring by rotation

To appoint a Director in place of Mr. Ameya Shroff (DIN: 05315616), who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

Item No. 5 - Ratification of Remuneration of Cost Auditor

To ratify the remuneration payable to M/s. N N & Associates, Cost Accountants (Firm Registration No.: 002322), the Cost Auditor of the Company for the financial year ending on March 31, 2025.

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

"**RESOLVED THAT** pursuant to Section 148 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the payment of remuneration of Rs. 70,000/- (Rupees Seventy Thousand only) plus applicable taxes and reimbursement of out-of-pocket expenses at actuals to M/s. N N & Associates, Cost

Accountants (Firm Registration No.: 002322), who has been appointed by the Board of Directors of the Company, as "Cost Auditor" to conduct an audit of the cost records maintained by the Company for the Financial Year ending on March 31, 2025, be and is hereby ratified and approved.

RESOLVED FURTHER THAT the Board of Directors of the Company, be and is hereby authorized to do all such acts, deeds, matters and things and to take all such steps as may be necessary, proper, expedient and desirable for the purpose of giving effect to this resolution."

Item No. 6 - Re-appointment of Mr. Rahul Shroff (DIN: 02301693) as Whole-time Director designated as Executive Director of the company

To consider the re-appointment of Mr. Rahul Shroff (DIN: 02301693) as Whole-time Director designated as Executive Director of the Company for a period of three (3) years.

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

"**RESOLVED THAT** pursuant to the provisions of Sections 196,197,198 and 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and provisions of the Articles of Association of the Company and subject to all other requisite approvals, permissions and sanctions and subject to such conditions as may be prescribed by any of the concerned authorities (if any) while granting such approvals as may be applicable, and based on the recommendation of the Nomination and Remuneration Committee and Board of Directors, approval of the members of the Company be and is hereby accorded for re-appointment of Mr. Rahul Shroff (DIN: 02301693) as Whole-time Director designated as Executive Director of the Company for a further period of three (3) years with effect from September 26, 2024 to September 25, 2027 on the terms and conditions including remuneration, as set out below, with liberty to the Board of Directors to alter and vary the terms and conditions of appointment and/or remuneration as it may deem fit, subject to the same not exceeding the limits as mentioned in this resolution and as specified under Schedule V of the Companies Act, 2013 and/or any statutory modification(s) or re-enactment(s) thereof:-

Name	Mr. Rahul Shroff
Designation	Executive Director
Basic Salary	From Rs. 2,65,000/- upto Rs. 5,30,000/- Per Month
Commission	Upto 2.5 % commission on the net profit of the Company, computed in the manner laid down in the Companies Act, 2013. This is also subject to the over and above remuneration payable to all the Whole Time Directors as prescribed under Section 197 read with Schedule V of the Companies Act, 2013 (including any statutory modification (s) or re-enactment(s) thereof for the time being in force)
House Rent Allowance/ RFHA	From Rs. 60,450/- upto Rs. 1,21,000/- Per Month
Other Allowances	From Rs. 85,000/- Upto Rs. 1,70,000/- Per Month
Ex-gratia in lieu of Bonus	From Rs. 53,000/- up to Rs. 1,06,000/- Per Year
Variable pay	As may be decided by the Board of Directors, on the Performance as special incentive to be paid every year but shall not exceed Rs. 30.00 Lakh Annually
Leave Travel Concession	For family and self, once in a year as per rules of the Company, but shall not exceed one month basic salary
Medical Reimbursement	Medical Reimbursement expenses incurred for self and family, but shall not exceed one month basic salary a year or 3 Months' basic Salary over a period of 3 Years
Personal Accident /Medical Insurance	Actual premium on personal accidental/ medical insurance for self and the family
Provident Fund, Superannuation fund and Gratuity as per rules of the Company, Subject to ceiling as per guidelines for Managerial Remuneration.	
Car with Driver and telephone at residence are provided to the Executive Director for business purpose as well as for personal use. Perquisite value for the use of Car with Driver has been included in his Computation of Income as per Section 17(2) of the Income Tax Act, 1961. However, telephone provided to the Executive Director is not a Taxable perquisite as per section 17(2) of the Income Tax Act, 1961.	
Encashment of leave as per rules of the Company	
Club Fees are subject to a maximum of two clubs, this will not include admission and life membership fees.	
He is liable to retire by rotation.	

RESOLVED FURTHER THAT when in any financial year, the Company has no profits or its profits are inadequate, the remuneration including the perquisites as aforesaid will be paid to Mr. Rahul Shroff, Executive Director in accordance with the applicable provisions of Schedule V of the Companies Act, 2013.

RESOLVED FURTHER THAT the Board of Directors of the Company, be and is hereby authorized to do all such acts, deeds, matters and things and to take all such steps as may be necessary, proper, expedient and desirable for the purpose of giving effect to this resolution."

By order of the Board
For Reliance Chemotex Industries Ltd.

Utkarsh Gaur
Company Secretary & Compliance Officer
Membership No. ACS 60237

Place: Udaipur
Date: May 24, 2024

Registered Office: Village Kanpur, Post Box No.73, Udaipur, Rajasthan, 313003
CIN: L40102RJ1977PLC001994
Tel: +91 (0) 294 2491489 ; +91 (0) 294 2491490 | Fax: +91 (0) 294 2490067
E-mail: cs@reliancechemotex.com | Website: www.reliancechemotex.com

NOTES FOR MEMBERS' ATTENTION

1. Ministry of Corporate Affairs ('MCA') has vide its General Circular Nos. 14/2020, 17/2020, 20/2020, 02/2021, 19/2021, 21/2021, 02/2022, 10/2022 and 09/2023 dated April 8, 2020, April 13, 2020, May 5, 2020, January 13, 2021, December 08, 2021, December 14, 2021, May 05, 2022, December 28, 2022 and September 25, 2023 respectively (collectively referred to as "MCA Circulars") and Securities and Exchange Board of India (SEBI) vide its Circular Nos. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020, SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021, SEBI/HO/DDHS/DDHS_Div2/P/CIR/2021/697 dated December 22, 2021, SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022, SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated January 5, 2023 and SEBI/HO/CFD/CFD-PoD-2/P/CIR/2023/167 dated October 7, 2023 (collectively referred to as "SEBI Circulars"), permitted the holding of the Annual General Meeting ("AGM / Meeting") through Video Conferencing ('VC') / Other Audio Visual Means ('OAVM') facility without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 ("Act"), Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI LODR Regulations'), MCA Circulars and SEBI Circulars, the 46th AGM of the Company is being held through VC/OAVM facility. The registered office of the Company shall be deemed to be the venue for the AGM.
2. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars through VC / OAVM, physical attendance of Members has been dispensed with accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Attendance Slip and Proxy Form are not annexed to this Notice. However, the Body Corporates are entitled to appoint authorized representatives to attend the AGM through VC / OAVM and participate thereat and cast their votes on e-voting.
3. The Members can join the AGM in the VC/OAVM mode 30 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1,000 members on a first come first served basis. This will not include large Members (Members holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without the restriction of first come first served basis.
4. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Act.
5. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at <https://reliancechemotex.com/reports/financial-reports/> The Notice can also be accessed from the websites of the Stock Exchanges i.e., BSE Limited, and National Stock Exchange of India Ltd. at www.bseindia.com and www.nseindia.com, respectively, and the AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e., at www.evoting.nsdl.com.
6. The relevant Explanatory Statement pursuant to Section 102 of the Act, setting out material facts concerning the business under Item Nos. 5 and 6 of the accompanying Notice, is annexed hereto. The relevant details, pursuant to Regulation 36 (3) of the SEBI LODR Regulations and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, in respect of Directors seeking appointment/ re-appointment at this AGM are also annexed.
- 7. Book Closure and Dividend:**
 - a) The Register of Members and the Share Transfer Books of the Company will remain closed from Thursday, September 05, 2024 to Wednesday, September 11, 2024 (both days inclusive) for the purposes of holding 46th AGM and payment of dividend. The Record Date for the purposes will be Wednesday, September 04, 2024.
 - b) If a dividend on Equity Shares, as recommended by the Board, is approved at the AGM, the payment of such dividend will be made within 30 days from the date of AGM, as under:
 - i. To all beneficial owners in respect of Shares held in electronic form as per details furnished by the Depositories for this purpose as of close of business hours on September 04, 2024.
 - ii. To all Members in respect of Shares held in physical form, after giving effect to valid, transmission or transposition requests lodged with the Company as of close of business hours on September 04, 2024.
8. Members are requested to intimate changes, if any, pertaining to their name, postal address, e-mail address, telephone/mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as name of the bank and branch details, bank account number, MICR code, IFSC code, etc.:

- a) For shares held in electronic form: to their Depository Participants
 - b) For shares held in physical form: to the Company/ Registrar and Share Transfer Agent in prescribed Form ISR-1 and other forms pursuant to SEBI Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/ CIR/2021/655 dated November 3, 2021.
9. Members may please note that SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated January 25, 2022, has mandated the listed companies to issue securities in dematerialized form only while processing service requests viz. Issue of duplicate securities certificate; claim from unclaimed dividend account; exchange of securities certificate; sub-division of securities certificate; consolidation of securities certificates/folios; transmission and transposition. Accordingly, Members are requested to make service requests by submitting a duly filled and signed Form ISR-4 to the Company's Registrar and Share Transfer Agents, Bigshare Services Pvt. Ltd. It may be noted that any service request can be processed only after the folio is KYC Compliant.
10. SEBI vide its notification dated January 24, 2022 has mandated that all requests for transfer of securities including transmission and transposition requests shall be processed only in dematerialized form. In view of the same and to eliminate all risks associated with physical shares and avail various benefits of dematerialisation, Members are advised to dematerialise the shares held by them in physical form. Members can contact the Company or Registrar and Share Transfer Agents, Bigshare Services Pvt. Ltd., for assistance in this regard.
11. In case of joint holders attending the AGM, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote.

12. Transfer of Unclaimed/Unpaid amounts to the Investor Education and Protection Fund (IEPF):

Members are requested to note that dividends not encashed or remaining unclaimed for a period of 7 (seven) years from the date of transfer to the Company's Unpaid Dividend Account, shall be transferred to the Investor Education and Protection Fund ("IEPF") established by the Central Government. Further, pursuant to the provisions of Section 124 of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules") as amended to date, all shares on which dividend has not been paid or claimed for seven consecutive years or more shall be transferred to IEPF Authority as notified by the Ministry of Corporate Affairs.

The Members/Claimants whose shares and unclaimed dividend amount have been transferred to IEPF may claim the shares or apply for a refund by making

an application to the IEPF Authority in Form IEPF 5 (available on www.iepf.gov.in). The Member/Claimant can file only one consolidated claim in a Financial Year as per the IEPF Rules.

It is in the Members' interest to claim any unencashed dividends and for the future, opt for an Electronic Clearing Service, so that dividends paid by the Company are credited to the Members' account on time.

13. Payment of Dividend through electronic means:

- a) To avoid loss of dividend warrants in transit and undue delay in receipt of dividend warrants, the Company provides the facility to the Members for remittance of dividend directly in electronic mode through National Automated Clearing House (NACH). Members holding shares in physical form and desirous of availing this facility of electronic remittance are requested to provide their latest bank account details (Core Banking Solutions Enabled Account Number, 9-digit MICR and 11-digit IFS Code), along with their Folio Number, to the Company's Registrar and Share Transfer Agent - Bigshare Services Pvt. Ltd. Members holding shares in electronic form are requested to provide the said details to their respective Depository Participants.
- b) Members holding shares in electronic form are hereby informed that bank particulars registered against their respective depository accounts will be used by the Company for payment of dividend. The Company or its Registrars cannot act on any request received directly from the Members holding shares in electronic form for any change of bank particulars or bank mandates. Such changes are to be advised only to the Depository Participant of the Members.
- c) SEBI, vide its circular dated November 03, 2021 (subsequently amended by circulars dated December 14, 2021, March 16, 2023 and November 17, 2023) mandated that the security holders (holding securities in physical form), whose folio(s) do not have PAN or Choice of Nomination or Contact Details or Mobile Number or Bank Account Details or Specimen Signature updated, shall be eligible for any payment including dividend, interest or redemption in respect of such folios, only through electronic mode with effect from April 01, 2024, upon their furnishing all the aforesaid details in entirety:
 - In case of non-updation of PAN or Choice of Nomination or Contact Details or Mobile Number or Bank Account Details or Specimen Signature in respect of physical folios, dividend/ interest etc. shall be paid only through electronic mode with effect from April 01, 2024 upon furnishing all the aforesaid details in entirety.
 - If a security holder updates the PAN, Choice of Nomination, Contact Details including Mobile

Number, Bank Account Details and Specimen Signature after April 01, 2024, then the security holder would receive all the dividends/interest etc. declared during that period (from April 01, 2024 till date of updation) pertaining to the securities held after the said updation automatically.

14. Nomination Facility:

As per the provisions of Section 72 of the Act and Rule 19 (1) of the Companies (Share Capital and Debentures) Rules, 2014, as amended, Members holding shares in physical form may file nomination in the prescribed Form SH-13 with the Company's Registrar and Share Transfer Agent. In respect of shares held in dematerialized form, the nomination form may be filed with the respective Depository Participant.

Member desires to opt out or cancel the earlier nomination and record a fresh nomination, he/she may submit the same in Form ISR-3 or SH-14 as the case may be. The said forms can be downloaded from the Company's website at <https://reliancechemotex.com/investor/> Members are requested to submit the said details to their DP in case the shares are held by them in dematerialized form and to RTA in case the shares are held in physical form.

15. All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection by the Members by writing an e-mail to the Company Secretary at shareholders@reliancechemotex.com. The register of directors and key managerial personnel and their shareholding, maintained under Section 170 of the Act, and the register of contracts or arrangements in which the directors are interested, maintained under Section 189 of the Act, will be available electronically for inspection by the members during the AGM by writing an email to shareholders@reliancechemotex.com
16. An electronic copy of the Annual Report for the financial year 2023-24 is being sent to those Members whose e-mail address is registered with the Company / Depositories for communication purposes unless any Member has requested for a physical copy of the same. Members may note that this Annual Report will also be available on the Company's website at www.reliancechemotex.com
17. To support the "Green Initiative", Members who have not registered their email addresses are requested to register the same with the Company's Registrar and Share Transfer Agent/their Depository Participants, in respect of shares held in physical/electronic mode, respectively.
18. Pursuant to Finance Act, 2020, dividend income will be taxable in the hands of members w.e.f. April 1, 2020, and the Company is required to deduct tax at source from

dividend paid to members at the prescribed rates. For the prescribed rates for various categories, the members are requested to refer to the Finance Act, 2020 and amendments thereof. The members are requested to update their PAN with the Company/ Registrar and Share Transfer Agent (in case of shares held in physical mode) and with the Depository Participants (in case of shares held in demat mode).

A Resident individual member with PAN and who is not liable to pay income tax can submit a yearly declaration in Form No. 15G/15H, to avail of the benefit of non-deduction of tax at source by sending an email to tds@bigshareonline.com latest by 11:59 p.m. (IST) on August 26, 2024.

Members are requested to note that in case their PAN is not registered, the tax will be deducted at a higher rate of 20%.

Non-resident members can avail beneficial rates under the tax treaty between India and their country of residence, subject to providing necessary documents i.e. No Permanent Establishment and Beneficial Ownership Declaration, Tax Residency Certificate, Form 10F, any other document which may be required to avail the tax treaty benefits by sending an email to tds@bigshareonline.com. The aforesaid declarations and documents need to be submitted by the members latest by 11:59 p.m. (IST) August 26, 2024.

19. Since the AGM will be held through VC / OAVM, the Route Map is not annexed in this Notice.
20. SEBI vide Circular Nos. SEBI/HO/OIAE/OIAE_IAD-1/P/CIR/2023/131 dated July 31, 2023, and SEBI/HO/OIAE/OIAE_IAD-1/P/CIR/2023/135 dated August 4, 2023, read with Master Circular No. SEBI/HO/OIAE/OIAE_IAD-1/P/CIR/2023/145 dated July 31, 2023 (updated as on August 11, 2023), has established a common Online Dispute Resolution Portal ("ODR Portal") for resolution of disputes arising in the Indian Securities Market. Pursuant to above-mentioned circulars, post exhausting the option to resolve their grievances with the RTA/ Company directly and through existing SCORES platform, the investors can initiate dispute resolution through the ODR Portal (<https://smartodr.in/login>) and the same can also be accessed through the Company's website at www.reliancechemotex.com
21. In terms of Regulation 40(1) of SEBI LODR Regulations, as amended from time to time, transfer, transmission and transposition of securities shall be effected only in dematerialized form. In view of the same and to eliminate all risks associated with physical shares and avail various benefits of dematerialization, Members are advised to dematerialize the shares held by them in physical form. Members can contact the Company or Registrar and Share Transfer Agents, Bigshare Services Pvt. Ltd., for assistance in this regard.

INSTRUCTIONS TO MEMBERS FOR REMOTE E-VOTING AND FOR JOINING THE AGM, ARE AS UNDER:

1. Pursuant to the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of the SEBI LODR Regulations (as amended), and the MCA Circulars, the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with the National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-voting system will be provided by NSDL.
2. The remote e-voting period will commence at 9.00 A.M. (IST) on Saturday, September 07, 2024, and end at 5.00 P.M. (IST) on Tuesday, September 10, 2024. During this period, Members holding shares either in physical or dematerialized form as on the Cut-Off Date i.e., Wednesday, September 04, 2024, may cast their votes electronically. The e-voting module shall be disabled by NSDL for voting thereafter. Those Members, who will be present in the AGM through the VC / OAVM facility and have not cast their vote on the Resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system during the AGM. The voting rights of members shall be in proportion to their share in the paid-up equity share capital of the Company as on the Cut-Off Date.
3. The Company has appointed CS Mr. Rahul Sharma (FCS: 9611, CP. no.: 18440), proprietor of Rahul S & Associates, Company Secretaries, as Scrutinizer to scrutinize the voting at the meeting and remote e-voting process, in a fair and transparent manner.
4. The Members who have cast their vote by remote e-voting prior to the AGM may also attend/participate in the AGM through VC / OAVM, but shall not be entitled to cast their vote again.
5. The voting rights of Members shall be in proportion to their share in the paid-up equity share capital of the Company as on September 04, 2024 ("Cut-Off Date").
6. Any person holding shares in physical form and non-individual members, who acquire shares of the Company and become member of the Company after the AGM Notice is sent through e-mail and holding shares as on the 'cut-off date' i.e. September 04, 2024, may obtain the login ID and password by sending a request to NSDL at evoting@nsdl.co.in or to the Company / Registrar & Transfer Agent. However, if you are already registered with NSDL for remote e-voting, then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using the "Forgot User Details/Password" or "Physical User Reset Password" option available on www.evoting.nsd.com or call on Toll-Free No. 1800 1020 990 and 1800 22 44 30. In case of individual members holding securities in demat mode who acquire shares of the Company and become a Member of the Company after sending the AGM Notice and holding shares as of the cut-off date i.e. September 04, 2024 may follow steps mentioned in the Notice of the AGM under "Access to NSDL e-Voting system".
7. **E-voting Instructions: The details of the process and manner for remote e-voting are explained herein below:**

How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:




Step 1: Access to NSDL e-Voting system

A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in Demat mode

In terms of the SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

The login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"> 1. Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsd.com either on a Personal Computer or on a mobile. On the e-Services home page click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section , this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Type of shareholders	Login Method
	<ol style="list-style-type: none"> If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select “Register Online for IDeAS Portal” or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Shareholders/Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience. <div style="text-align: center;"> <p>NSDL Mobile App is available on</p>    </div>
Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then user your existing my easi username & password. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers’ website directly. If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

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

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

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.com or call at 022 - 4886 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33

B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/ Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:
 - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
 - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
 - c) How to retrieve your 'initial password'?
 - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - (ii) If your email ID is not registered, please follow steps mentioned below in process for those shareholders whose email ids are not registered.

6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
 - a) Click on "Forgot User Details/Password?" (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - b) Physical User Reset Password? (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.com mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
 - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.

How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join Meeting".
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

GENERAL GUIDELINES FOR SHAREHOLDERS

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/ JPG Format) of the relevant Board Resolution/ Authority

letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to csrahul@outlook.com with a copy marked to evoting@nsdl.co.in. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.

2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on: 022 - 4886 7000 or send a request to (Ms. Pallavi Matre) at evoting@nsdl.co.in

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL IDS ARE NOT REGISTERED WITH THE DEPOSITORIES FOR PROCURING USER ID AND PASSWORD AND REGISTRATION OF E MAIL IDS FOR E-VOTING FOR THE RESOLUTIONS SET OUT IN THIS NOTICE:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to shareholders@reliancechemotex.com/investor@bigshareonline.com.
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to shareholders@reliancechemotex.com/investor@bigshareonline.com. If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at step 1 (A) i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.
3. Alternatively shareholder/members may send a request to evoting@nsdl.com for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of the SEBI circular dated December 9, 2020 on e-voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository

Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access the e-voting facility.

THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE AGM ARE AS UNDER:-

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

INSTRUCTIONS FORMEMBERSFORATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for Access to NSDL e-Voting system. After successful login, you can see link of "VC/OAVM" placed under "Join meeting" menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/ have questions may send their questions in advance

mentioning their name demat account number/folio number, email id, mobile number at (shareholders@reliancechemotex.com). The same will be replied by the company suitably.

OTHER INFORMATION:

1. The Scrutinizer shall, immediately after the conclusion of voting at the AGM, unblock the votes cast through remote e-voting (votes cast during the AGM and votes cast through remote e-voting) and will submit a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairperson or a person authorised by him in writing, who shall countersign the same. The results will be announced within the time stipulated under the applicable laws.

The result declared along with the Scrutinizer's Report shall be placed on the Company's website at www.reliancechemotex.com and on the website of NSDL at www.evoting.nsdl.com immediately. The Company shall simultaneously forward the results to the National Stock Exchange of India Ltd. and BSE Limited, where the shares of the Company are listed.

2. Subject to the receipt of requisite number of votes, the Resolutions forming part of the Notice of AGM shall be deemed to be passed on the date of the AGM i.e., Wednesday, September 11, 2024.

ANNEXURE TO THE NOTICE

EXPLANATORY STATEMENT

As required by Section 102 of the Companies Act, 2013 ("Act"), the following explanatory statement sets out all material facts relating to the business mentioned under Item Nos. 5 and 6 of the accompanying Notice:

ITEM NO. 5

The Board, on the recommendation of the Audit Committee, has approved the re-appointment and remuneration of M/s. N N & Associates, Cost Accountants to conduct the audit of the cost records of the Company for the financial year ending on March 31, 2025.

In accordance with the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditor has to be ratified by the members of the Company.

Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out in Item No. 5 of the Notice for ratification of the remuneration payable to the Cost Auditor for the financial year ending on March 31, 2025.

None of the Directors or Key Managerial Personnel of the Company or their relatives are, in any way, concerned or interested, financially or otherwise, in the Resolution set out in Item No. 5 of the Notice.

The Board recommends the Ordinary Resolution set forth in Item No. 5 of the Notice for approval of the members.

ITEM NO. 6

The Members of the Company through a Postal Ballot held on March 24, 2021, had approved the re-appointment of Mr. Rahul Shroff (DIN: 02301693) as Whole-Time Director designated as Executive Director of the Company for a period of three (3) years with effect from September 26, 2021 to September 25, 2024.

The present term of Mr. Rahul Shroff comes to complete on September 25, 2024. The Board of Directors at their meeting held on May 24, 2024 (based on the recommendations of the Nomination & Remuneration Committee and subject to the approval of the members in the General Meeting), re-appointed Mr. Rahul Shroff as Whole-Time Director designated as Executive Director of the Company for a further period of three (3) years with effect from September 26, 2024 to September 25, 2027.

Mr. Rahul Shroff is not disqualified from being re-appointed as a Director in terms of Section 164 of the Companies Act,

2013 ("Act") and has given his consent to act as Whole time Director of the Company. Mr. Rahul Shroff satisfies all the conditions as set out in Section 196 (3) and Part-I of Schedule V to the Act, for being eligible for his appointment.

Mr. Rahul Shroff is liable to retire by rotation and shall not be paid any sitting fees for attending the Meeting of the Board or committee thereof.

Further, Mr. Rahul Shroff has also confirmed that he is not debarred from holding the office of Director by virtue of any SEBI Order or any such authority pursuant to circulars dated 20th June, 2018 issued by BSE Limited and the National Stock Exchange of India Ltd.

A brief resume and other details of Mr. Rahul Shroff are provided in annexure to the Notice pursuant to the provisions of the SEBI LODR Regulations and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India.

Statement of Particulars pursuant to Schedule-V of the Act

1. General Information

Nature of industry	Manufacturing and Marketing of Synthetic Blended Yarn	
Date or expected date of commencement of commercial production	The company commenced commercial production in the month of August 1979	
In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus.	Not Applicable	
Financial performance based on given indicators	Particulars for the financial year ended 31.03.2024	(Rs. in Lakh)
	Sales including other Income	37,145.45
	Profit (before exceptional & extraordinary items & tax)	562.75
	Profit After Tax before other comprehensive income	320.99
Foreign Investment and Collaboration if any	No such foreign investment or collaboration except minor shareholding of Non-Resident Indians, if any.	

2. Information about the appointee

Background Details	<p>Mr. Rahul Shroff is an alumnus of the Massachusetts Institute of Technology, USA, where he received a Bachelor of Science in Electrical Engineering and Computer Science, a Bachelor of Science in Management and a Master of Engineering in Electrical Engineering and Computer Science.</p> <p>Mr. Rahul Shroff joined Reliance Chemotex Industries Limited in 2008 and has been instrumental in streamlining the company's manufacturing processes with a specific emphasis on lean ideologies, analytical reasoning and increased flexibility. He has been driving force behind the organisation's focus on diversifying into quality-conscious industrial and medical textile markets.</p>
Past Remuneration paid during the financial year 2023-24	Rs. 1,01,43,000
Recognition or awards	-
Job profile and his suitability	He looks after the day-to-day running of the company and has substantial power under the supervision, control and direction of the Managing Director. He focuses on streamlining the company's manufacturing processes with a specific emphasis on lean ideologies, analytical reasoning and increased flexibility. He is responsible for the organization's increased exports and focuses on diversifying into quality-conscious industrial and medical textile markets.

Remuneration proposed	Salary, perquisites and other terms as fully set out in item no. 6 of the Notice shall be decided by the Board of Directors from time to time on the recommendations of the Nomination and Remuneration Committee
Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person.	Taking into account the responsibilities of the Executive Director, the remuneration proposed to be paid to him is reasonable and in line with the remuneration levels in the industry across the country.
Pecuniary relationship directly or indirectly with the company or relationship with the managerial personnel or other Director if any.	Son of Mr. Sanjiv Shroff, Managing Director and brother of Mr. Ameya Shroff, Whole time Director designated as Executive Director of the Company.

3. Other Information

Reasons of inadequate profit	The company has earned a profit of Rs. 320.99 lakhs during the financial year ended on March 31, 2024, but still the profit is inadequate to meet the minimum payment required to retain the top Managerial Person (KMP).
Steps taken or proposed to be taken for improvement	The Indian textile market is gaining momentum and is set for resurgence on account of strong growth in the domestic and export markets. Your Company intends to leverage this along with its long-standing customer relations, deep focus on understand its customer's needs, excellent post-sales service, innovative product development and versatile product mix to further strengthen its sales both globally and in the domestic market. Furthermore, in its efforts to remain ahead of the curve, the company has actively taken steps to enhance economies of scale, increase productivity, reduce costs, shrink delivery schedules, invest in the research and development of new products and aggressively pursue opportunities in new markets. Finally, your Company is also evaluating the feasibility of a diversification and expansion project which will further improve the Company's bottom line.
Expected increase in the productivity and profits in measurable terms.	Looking at the Company's performance during the financial year 2023-24 the company is cautiously optimistic for upcoming years. Due to the modernization of the old ring frame and continuing focus on value-added products, consistent quality and versatile product mix, we expect better performance in the upcoming years.

Mr. Sanjiv Shroff, Mr. Rahul Shroff and Mr. Ameya Shroff Directors of the company for themselves and through their relatives to the extent of their shareholding, if any, in the Company, may be deemed to be concerned or interested, financially or otherwise, in the Resolution at Item No. 6.

Save and except the above, none of the other Directors, Key Managerial Personnel of the Company and/or their relatives are in any way concerned or interested, financially or otherwise in the said Resolution. The Board recommends the Resolutions at Item no. 6 of the Notice for approval of the members by means of Special Resolution.

By order of the Board
For Reliance Chemotex Industries Ltd.

Utkarsh Gaur
Company Secretary & Compliance Officer
Membership No. ACS 60237

Place: Udaipur
Date: May 24, 2024

Registered Office: Village Kanpur, Post Box No.73, Udaipur, Rajasthan, 313003
CIN: L40102RJ1977PLC001994
Tel: +91 (0) 294 2491489 ; +91 (0) 294 2491490 | Fax: +91 (0) 294 2490067
E-mail: cs@reliancechemotex.com | Website: www.reliancechemotex.com

Details of Director seeking appointment/re-appointment at the AGM (Pursuant to Regulation 36 (3) of the SEBI LODR Regulations and Secretarial Standard on General Meetings):

Position/Post	Managing Director	Executive Director – Whole-time Director	Executive Director – Whole-time Director
Name of the Director	Mr. Sanjiv Shroff	Mr. Ameya Shroff	Mr. Rahul Shroff
DIN	00296008	05315616	02301693
Date of Birth	17.05.1961	24.08.1990	31.12.1986
Age	63 Years	33 Years	37 Years
Date of Appointment	01.09.1988	29.06.2013	28.07.2008
Qualification (s)	Bachelor of Science	Bachelor of Science in Electrical Engineering and Computer Science, a Bachelor of Science in Management and a Master of Engineering in Electrical Engineering and Computer Science	Bachelor of Science in Electrical Engineering and Computer Science, a Bachelor of Science in Management and a Master of Engineering in Electrical Engineering and Computer Science
Relationships between the Directors, inter- se Manager and other KMP	Father of Mr. Rahul Shroff and Mr. Ameya Shroff, Whole time Director(s) designated as Executive Director(s) of the Company	Son of Mr. Sanjiv Shroff, Managing Director and brother of Mr. Rahul Shroff, Whole time Director designated as Executive Director of the Company	Son of Mr. Sanjiv Shroff, Managing Director and brother of Mr. Ameya Shroff, Whole time Director designated as Executive Director of the Company
Nature of expertise in specific functional areas and Experience	General Management; Finance & Risk Management; Corporate Governance & Compliance And Overall more than 35 years of experience in the textile industry	General Management; Finance & Risk Management; Corporate Governance & Compliance And Overall more than 10 years of experience in the textile industry	General Management; Finance & Risk Management; Corporate Governance & Compliance And Overall more than 15 years of experience in the textile industry
Name(s) of the other Companies in which directorship held as on Date	1. Spell Fashions Private Limited 2. A. R. Fibtex Pvt. Ltd. 3. A S Chemotex Private Limited 4. Sunrise Producers Private Limited 5. Sunrise Cotton Industries Limited	1. Spell Fashions Private Limited 2. A R Commercial Private Limited	1. Indo Textiles & Fibres Ltd 2. Sunrise Cotton Industries Limited 3. A S Chemotex Private Limited 4. Spell Fashions Private Limited 5. Sunrise Producers Private Limited
Membership / Chairmanship of the Committees of Board of other companies	Nil	Nil	Nil
No. of Shares held in the Company	1,61,180 Equity Shares	1,24,000 Equity Shares	3,68,780 Equity Shares
Remuneration sought to be paid	Terms and conditions as approved by the Members of the Company at the 45 th AGM held on September 21, 2023	Terms and conditions as approved by the Members of the Company at the 44 th AGM held on September 27, 2022	As per the Resolution set out in Item No. 6 of the Notice
Remuneration last drawn	Rs. 1,10,40,000/- paid during the financial year 2023-24	Rs. 89,40,000/- paid during the financial year 2023-24	Rs. 1,01,43,000/- paid during the financial year 2023-24

Position/Post	Managing Director	Executive Director – Whole-time Director	Executive Director – Whole-time Director
Terms & Conditions of appointment/re-appointment	Terms and conditions as approved by the Members of the Company at the 45 th AGM held on September 21, 2023 and Re-appointment in terms of Section 152(6) of the Companies Act, 2013	Terms and conditions as approved by the Members of the Company at the 44 th AGM held on September 27, 2022 and Re-appointment in terms of Section 152(6) of the Companies Act, 2013	It is proposed to re-appoint for a further period of three (3) years and other terms and conditions as set out in Item No. 6 of the Notice
The number of meetings of the Board attended during the year 2023-24	5 out of 5 Board Meetings	5 out of 5 Board Meetings	4 out of 5 Board Meetings
Brief resume of the director	<p>Mr. Sanjiv Shroff joined Reliance Chemotex Industries Limited in 1983 after graduating with Chemistry Honors from Calcutta University. He has served as its Managing Director since 1988.</p> <p>Mr. Sanjiv Shroff's thorough operational expertise, extraordinary industry insight and uncompromising value system have moulded Reliance Chemotex into the widely-respected organisation it is today.</p> <p>Under his leadership, the company has witnessed tremendous growth.</p>	<p>Mr. Ameya Shroff is an alumnus of the Massachusetts Institute of Technology, USA, where he received a Bachelor of Science in Electrical Engineering and Computer Science, a Bachelor of Science in Management and a Master of Engineering in Electrical Engineering and Computer Science.</p> <p>Mr. Ameya Shroff was inducted into Reliance Chemotex in 2013 and has, in a very short period, revamped the administrative framework of the organisation, keenly focussing on enterprise resource planning, inventory management and stores procurement. He has given a new direction to the company's domestic marketing, enabling it to minimise its reliance on volatility-stricken commodity products.</p>	<p>Mr. Rahul Shroff is an alumnus of the Massachusetts Institute of Technology, USA, where he received a Bachelor of Science in Electrical Engineering and Computer Science, a Bachelor of Science in Management and a Master of Engineering in Electrical Engineering and Computer Science.</p> <p>Mr. Rahul Shroff joined Reliance Chemotex Industries Limited in 2008 and has been instrumental in streamlining the company's manufacturing processes with a specific emphasis on lean ideologies, analytical reasoning and increased flexibility. He has been driving force behind the organisation's focus on diversifying into quality-conscious industrial and medical textile markets.</p>
listed entities from which the person has resigned in the past three years	Nil	Nil	Nil

Note: For other details please refer to the Corporate Governance report which is a part of this Annual Report

By order of the Board
For Reliance Chemotex Industries Ltd.

Utkarsh Gaur
Company Secretary & Compliance Officer
Membership No. ACS 60237

Place: Udaipur
Date: May 24, 2024

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