

ACTIVE CLOTHING CO LIMITED

20th ANNUAL REPORT 2021-22



CIN: L51311PB2002PLC033422

**ADDRESS: PLOT NO: E-225, PHASE-VIII B, INDUSTRIAL AREA, FOCAL
POINT, MOHALI-160055 .**

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CORPORATE INFORMATION

BOARD OF DIRECTORS

- ☐ Mr. Rajesh Kumar Mehra- Managing Director (DIN: 00026176)
- ☐ Mrs. Renu Mehra- Non- Executive Director DIN : 02033471)
- ☐ Mr. Kishore Kumar Bajaj- Independent Director (DIN: 06946343)
- ☐ Mr. Naval Kishore Gupta- Independent Director (DIN: 07362996)
- ☐

CHIEF FINANCIAL OFFICER (CFO)

Mr. Mandeep Singh

DEMAT ISIN No: INE380Z01015

CIN: L51311PB2002PLC033422

INVESTOR GRIEVANCE EMAIL:
cscsco@activesourcing.org

WEB SITE: www.activesourcing.org

BANKERS

- ❖ Indian Overseas Bank
- ❖ HDFC Bank

REGISTERED OFFICE:

Plot No. E-225, Phase-VIII B, Industrial Area,
Focal Point, Mohali 160055

CORPORATE OFFICE:

Factory Works: BadaliAla Singh, Distt
FatehgarhSaheb.

REGISTRAR & TRANSFER AGENT

M/S Bigshare Services Pvt Ltd

Office No: S6-2, 6th Floor, Pinnacle Business
Park, Next to Ahura Centre, Mahakali Caves
Road, Andheri (East) Mumbai-400093.

Tel: 022-40430200

Fax: 022-28475207



ACTIVE CLOTHING CO LIMITED

Regd off: Plot No. E-225, Phase-VIII B, Industrial Area, Focal Point, Mohali

Ph: 0 172-4313300

E-mail: rmehra@activesourcing.org

CIN: L51311PB2002PLC033422

NOTICE

Notice is hereby given that the 20th Annual General Meeting of the Members of Active Clothing Co Limited will be held at the Registered Office of the Company at: Plot No. E-225, Phase-VIII B, Industrial Area, Focal Point, MOHALI on Thursday, 29th day of September, 2022 at 11:00 A.M. to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet of the Company on standalone basis, for financial year ended 31st March 2022 including audited Balance Sheet as at 31st March, 2022 and Statement of Profit & Loss and Cash Flow Statement for the year ended on that date together with the reports of the Directors and Auditors thereon.

SPECIAL BUSINESS:

2. TO RE-APPOINT MR. RAJESH KUMAR MEHRA (DIN 00026176) AS MANAGING DIRECTOR

To consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution:**

“RESOLVED THAT in accordance with the provisions of Sections 196, 197 and 203 read with Schedule V and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or reenactment(s) thereof, for the time being in force), approval of the members be and is hereby accorded to re-appoint Mr. Rajesh Kumar Mehra (DIN: 00026176) as Managing Director of the Company, for a period of 5 (five) years from the expiry of his present term of office, that is on 26th November 2022 and starting with effect from 27th November 2022 till 26th November, 2027 on the terms and conditions including remuneration as set out in the Statement annexed to the Notice, with liberty to the Board of Directors to alter and vary the terms and conditions of the said re-appointment and / or remuneration as it may deem fit, so as not to exceed the limits specified in Schedule V of the Companies Act, 2013 (including any statutory modification or re-enactments thereof, for the time being in force), , or any amendments thereto as may be agreed to between the Board and Mr. Rajesh Kumar Mehra;

“RESOLVED FURTHER THAT consent of the members be and is hereby accorded to the professional fee of Mr. Rajesh Kumar Mehra (DIN 0026176) Managing Director of the Company as recommended by Nomination and Remuneration Committee and approved by the Board of Directors at the meeting held on 30th August, 2022 so as not to exceed the limits specified in Schedule V of the Companies Act, 2013 which will be effective from 1st October, 2022 for a period of three years on the terms and conditions as set out in the statement annexed to the notice;

“RESOLVED FURTHER THAT consent of members is granted under section II of Schedule V of the Companies Act, 2013 wherein any financial year, the Company has no profits or its profits are inadequate, the Company may continue paying professional fees as above to Mr. Rajesh Kumar Mehra as Managing Director as Minimum Remuneration for a period not exceeding 3 (three) years .



“RESOLVED FURTHER THAT the Board be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.

3. TO RE-APPOINT MRS. RENU MEHRA (DIN 02033471) AS NON-EXECUTIVE DIRECTOR

To consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:

“RESOLVED THAT in accordance with the provisions of Section 152 and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualifications of Directors) Rules, 2014 (including any statutory modification(s) or re enactment(s) thereof, for the time being in force), approval of the members be and is hereby accorded to re-appoint Mrs. Renu Mehra (DIN: 02033471) as Non-Executive Director of the Company on the terms and conditions including remuneration as set out in the Statement annexed to the Notice.

4. APPROVAL OF PROFESSIONAL FEE TO MRS. RENU MEHRA (DIN: 02033471), NON-EXECUTIVE DIRECTOR OF THE COMPANY INCASE OF INADEQUATE PROFITS:

To consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:

“RESOLVED THAT pursuant to the provisions of Sections 197, 198 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013, rules made thereunder and SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), and pursuant to due recommendation of the Nomination & Remuneration Committee and the Board of Directors, consent of the Members of the Company be and is hereby accorded for payment of professional fee of Rs.36 Lacs per annum to Mrs. Renu Mehra (DIN: 02033471), Non-Executive Director of the company and shall deem to form part hereof and in the event of any inadequacy or absence of profits in any financial year or years and this resolution shall be valid for 3 years.”

“RESOLVED FURTHER THAT the Board be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.

5. APPROVAL FOR RELATED PARTY TRANSACTIONS

To consider and if thought fit, to pass, with or without modification(s), the following resolution as an ordinary resolution:

“RESOLVED that pursuant to the provisions of Section 188 of the Companies Act, 2013 (“Act”) and other applicable provisions, if any, read with Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014, Regulation 23(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) and the Company’s policy on Related Party transaction(s), approval of Shareholders be and is hereby accorded to the Board of Directors of the company to enter into contract(s)/ arrangement(s)/ transaction(s) with parties with respect to Sale, purchase or supply of goods or materials, leasing of property of any kind, availing or rendering of any services, appointment of agent for purchase or sale of goods, materials, services or property or appointment of such parties to any office or place of profit in the company or any other transactions of whatever nature, at arm’s length basis and in the ordinary course of business, notwithstanding that such transactions may exceed the limits of Rule 15 (3) in any financial year or such other threshold limits as may be specified by the Listing Regulations from time to time, up to such extent and on such terms and conditions as specified in the table forming part of the Explanatory Statement annexed to this notice.

RESOLVED FURTHER THAT the Board of Directors (hereinafter referred to as Board) or a Committee thereof be and is hereby authorized to do all such acts, deeds, matters and things as it may in its absolute discretion consider necessary or expedient to give effect to the aforesaid resolution.”



FURTHER RESOLVED THAT the terms and conditions of the transactions with the Related Parties shall be approved by the Audit Committee.”

**By Order of the Board
Sd/-**

**(Rajesh Kumar Mehra)
Managing Director**

Place: Mohali

Date: 30th August, 2022

Notes:

1. An explanatory statement pursuant to Section 102(1) of the Companies Act, 2013 with respect to Item no. 2 to 4 of the Notice set out above is annexed hereto.
2. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER.
3. The instrument appointing a proxy must be deposited with the Company at its Registered Office not less than 48 hours before the meeting.
4. A person can act as proxy on behalf of Members not exceeding fifty in number and holding in aggregate not more than ten per cent of the total share capital of the Company carrying voting rights. In case of a Member holding more than ten per cent of the total share capital of the Company carrying voting rights, such a Member may appoint a single person as proxy, who however shall not act as proxy for any other person or shareholder.
5. Members / Proxies should bring the Attendance Slip duly filled in and signed for attending the meeting. Corporate Members intending to send their authorized representatives are requested to send duly certified copy of the Board Resolution authorizing their representatives to attend and vote at the Annual General Meeting.
6. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
7. Shareholders seeking any information with regard to accounts are requested to write to the Company at least seven days in advance so as to enable the Company to keep the information ready.
8. Pursuant to Section 91 of the Companies Act, 2013 and Rule 10 of the Companies (Management and Administration) Rules, 2014 read with Regulation 42(5) of the Listing Regulations, the Share Transfer Books and Register of Members of the Company will remain closed from Friday, September 23, 2022 to Thursday September 29, 2022 (both days inclusive)
9. Members are requested to send all communications concerning shares, change of address etc. to the Company's Registrar Big Share Services Pvt. Ltd. quoting their Client ID and reference no. Members are also requested to send their email address to the company's Registrar.
10. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts.
11. Shareholders who are still holding physical share certificate(s) are advised to dematerialize their shareholding to avail the benefits of dematerialization.
12. Members may also note that the Notice of the 20th Annual General Meeting and the Annual Report for 2021-22 will also be available on the Company's website **www.activesourcing.org** for their download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office in Mohali for inspection during normal business hours on working days. Even after registering for e- communication, members are entitled to receive such communication in physical



form, upon making a request for the same, by post free of cost. For any communication, the shareholders may also send requests to the Company's investor email id: rmehra@activesourcing.org.

13. SEBI has vide its Circular dated 20th April 2018, amongst others, mandated the listed companies through their RTAs to collect copy of PAN card and bank details of all security holders holding shares in physical form. Accordingly, those Members holding shares in physical / Electronic form who have not yet submitted the aforementioned details are requested to submit the same to the RTA / Depository Participants.
14. Pursuant to SEBI Notification dated 8th June 2018, amending Listing Regulations, the Company will not process the requests for transfer of shares unless the shares are held in dematerialized form, except in case of transmission or transposition of shares. This Amendment will come into force on 180th day from the date of publication of Notification i.e. from 5th December 2018.
15. In compliance with Regulation 44 of Listing Regulations and pursuant to Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time, the Company is pleased to provide its members the facility of 'remote e-voting' (which means e-voting from a place other than venue of the General Meeting) to exercise their right to vote on the resolutions proposed to be considered at the AGM. For this purpose, the Company has engaged the services of M/s. Central Depositories Services (India) Ltd. (CDSL) for providing e-voting facility to enable the members to cast their votes
16. . The facility for voting through ballot paper shall also be made available at the venue of the Annual General Meeting. The members attending the meeting, who have not casted their vote through remote e-voting shall be able to exercise their voting rights at the meeting. The members who have already cast their vote through remote e-voting may attend the AGM but shall not be entitled to cast their vote again.
17. The Company has appointed Mrs. Poonam Sethi (CP No. 21751) of M/s. Sethi Poonam & Associates, Company Secretaries as the Scrutinizer for conducting the remote e-voting and the voting process at the AGM in a fair and transparent manner.
18. The scrutinizer, after scrutinizing the votes cast at the AGM and through remote e-voting, shall make a consolidated report and submit the same to the Chairman of the meeting. The Results of the voting shall be placed along with the Scrutinizer's Report on the website of the Company i.e. www.activesourcing.org and on CDSL's website i.e. www.evotingindia.com and simultaneously be communicated to the Stock Exchanges.
19. Subject to receipt of requisite number of votes, the resolutions shall be deemed to be passed on the date of the AGM i.e. September 29, 2022.
20. Voting through Electronic means.

THE INTRUCTIONS OF SHAREHOLDERS FOR REMOTE E-VOTING:

- (i) The voting period begins on 09:00 A.M September 26th, 2022 and ends on 28th September, 2022 till 5:00 PM. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date 22nd September, 2022 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) Pursuant to SEBI Circular No. **SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020**, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015; listed entities are required to provide remote e-voting facility.

In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are



allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for e-Voting for Individual shareholders holding securities in Demat mode CDSL/NSDL is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL Depository	<ol style="list-style-type: none"> 1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or visit www.cdslindia.com and click on Login icon and select New System Myeasi. 2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly. 3) If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration 4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page or click on https://evoting.cdslindia.com/Evoting/EvotingLogin The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders holding securities in demat mode with NSDL Depository	<ol style="list-style-type: none"> 1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period. 2) If the user is 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 3) 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 name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period.
Individual Shareholders (holding securities in demat mode) login through their Depository Participants (DP)	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30

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

- 1) The shareholders should log on to the e-voting website www.evotingindia.com.
- 2) Click on “Shareholders” module.
- 3) Now enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
- 4) Next enter the Image Verification as displayed and Click on Login.
- 5) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.
- 6) If you are a first-time user follow the steps given below:

	For Physical shareholders and other than individual shareholders holding shares in Demat.
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department



	<p>(Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.
<p>Dividend Bank Details OR Date of Birth (DOB)</p>	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field.

- (v) After entering these details appropriately, click on “**SUBMIT**” tab.
- (vi) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (vii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (viii) **Click on the EVSN of Active Clothing Co limited, which is 220830034**
- (ix) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (x) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xi) After selecting the resolution, you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xii) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xiii) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xiv) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xv) There is also an optional provision to upload BR/POA if any uploaded, which will be made available to scrutinizer for verification.
- (xvi) **Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.**



- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the “Corporates” module.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login will be mapped automatically & can be delink in case of any wrong mapping.
- It is Mandatory that, a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively Non Individual shareholders are required mandatory to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; csc@activesourcing.org, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES.

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to **Company/RTA email id**.
2. For Demat shareholders -, Please update your email id & mobile no. with your respective Depository Participant (DP)
3. For Individual Demat shareholders – **Please** update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

If you have any queries or issues regarding e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL,) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call at toll free no. 1800 22 55 33

20. The route map showing directions to reach the venue of the Annual General Meeting is annexed.

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

ITEM NO: 2

In accordance with Section 102 of the Companies Act, 2013, the Explanatory Statement setting out all the material facts concerning each item of Special Business is produced hereunder:-

The Board of Directors of the Company (“the Board”) at its meeting held on August 30th 2022 have, subject to approval of members, reappointed Mr. Rajesh Kumar Mehra(DIN:00026176) as the Managing Director, for a further period of 5 (five) years from the expiry of his present term on 26th November,2022 and effective from 27th November,2022 till 26th November, 2027, on terms and conditions including remuneration as recommended by the Nomination and Remuneration Committee held on August 30th 2022 . It is proposed to seek members’ approval for the re-appointment of and remuneration payable to Mr. Rajesh Kumar Mehra as Managing Director of the Company, in terms of the applicable provisions of the Act.



The Company has not committed any default in repayment of any of its debt (including public deposits) or debentures or interest payable thereon for a continuous period of thirty days in the preceding financial year. Broad particulars of the terms of re-appointment of and remuneration payable to Mr. Rajesh Kumar Mehra is as under:

Period of Appointment: From 27th November, 2022 to 26th November, 2027.

Remuneration:

- (a) By way of professional fees Rs. 3,00,000/- p.m maximum.
- (b) The provision for use of Company's car with driver is for official use
- (c) Reimbursement of all reasonable expenses including entertainment expenses incurred bonafide in connection with business of the Company.

Minimum Professional fee: Notwithstanding anything to the contrary herein contained, where in any financial year, during the currency of tenure of Mr. Rajesh Kumar Mehra, if the Company has no profits or its profits are in-adequate, the Company will pay the above professional fee for a period of 3 years.

Entrusted Duties: Subject to the supervision and control of the Board of Directors of the Company, the Managing Director shall look after the day to day affairs and overall operations of the Company and shall carry out such other duties as may be entrusted to him by the Board of Directors from time to time.

Confidentiality: Mr. Rajesh Kumar Mehra will perform his duties truly and faithfully and comply with the directives given to him from time to time by the Board, and further not to disclose to any person, firm or Company any confidential information.

Not Liable to Retire by Rotation: During his tenure as Managing Director of the Company, the office of Mr. Rajesh Kumar Mehra shall not be reckoned for the purpose of arriving Directors liable to retire by rotation.

Sitting Fees: As long as Mr. Rajesh Kumar Mehra functions as Managing Director, he will not be paid any sitting fees for attending the meetings of the Board of Directors or any committee(s) thereof. Re-imbursement of Expenses, Costs etc.:

Termination: Either party shall have liberty to terminate the aforesaid appointment, by giving six months notice in writing to the other. Mr. Rajesh Kumar Mehra satisfies all the other conditions set out in Part-I of Schedule V to the Act as also conditions set out under sub-section (3) of Section 196 of the Act for being eligible for his re-appointment. He is not disqualified from being appointed as Director in terms of Section 164 of the Act.

Mr. Rajesh Kumar Mehra and his wife Mrs. Renu Mehra (Non – executive director) is interested in the resolution set out at Item No. 3 of the Notice. The relatives of Mr. Rajesh Kumar Mehra may be deemed to be interested in the resolution set out at Item No.3 of the Notice, to the extent of their shareholding interest, if any, in the Company. Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the aforementioned resolution.

The Board recommends the special resolution set out at Item No. 2 of the Notice for approval by the members.

THE STATEMENT CONTAINING ADDITIONAL INFORMATION AS REQUIRED IN SCHEDULE V OF THE COMPANIES ACT, 2013

In terms of provisions contained in section II Part II of Schedule V of the Companies Act, 2013, in case of inadequate profit for managerial remuneration, the relevant details regarding the performance of the Company and of the appointee are furnished hereunder:

General Information:

1.	Nature of Industry	Wearing apparels
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2.	Date of Commencement	The Company was incorporated on February 2, 2002 and its operating activities commenced thereafter.		
3.	Financial Performance based on given indicators	Particulars	31.03.2021	31.03.2022
		Total revenue	734458498.20	1154382428.51
		EBIDTA	107379144.85	96626438.18
		Net profit before Tax	744404.17	7109397.20
		Net Profit after tax	550859.17	5199598.20
4.	Foreign Investment or collaborations, if any	Not applicable		

Information about the Managing Director

1.	Background	Has been on Board since 2008.
2.	Past Remuneration	Rs. 1200000 P.A.
3.	Job Profile and his suitability	Managing the Company
5.	Remuneration proposed	Rs. 1200000 P.A.
6.	Comparative remuneration profile	The same is much lower qua his qualification and experience.
7.	Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any	Is Promoter of the Company

Remuneration profile with respect to industry, size of the Company, profile of the person and position: Mr. Rajesh Kumar Mehra is D Tech (Textile Technology specializing in weaving technology) fro Institute of textile Technology 1981 batch . Has gained sufficient experience all these years working with Multi National Brands . People with his experience in Industry have yearly emoluments in 8 figures and with his experience the Company can go a long way in building this Company creating high net worth for the stake holders.

Pecuniary relationship directly or indirectly with the Company or relationship with the managerial personnel, if any : The Director is a promoter investor of the Company and is husband of Mrs. Renu Mehra , Non Executive director.

OTHER INFORMATION:

Reason for inadequacy of profits, steps taken for improvement and expected increased in productivity: The Company is an MSME, Medium sized Company. The scale of operations is medium sized and is not enough to sustain required profitability. However the revenue and turnover of the Company is growing at a steady rate. Other reasons for low profitability are higher cost towards increasing raw material prices, other direct costs and depleted margins due to intensified global competition. Effective steps are taken to improve the performance of the Company by reducing cost of production and other direct cost and by strengthening existing manufacturing facilities and by ensuring increase in turnover effectively. This would help the Company to achieve better economies of scale, larger volume and improved profitability.

Steps taken or proposed to be taken for improvement: The Company is working on expansion and diversification, digitization of operations and processes, cost optimization, sales maximization focusing on overseas markets and exports. The Company is also aiming for value-added product offerings, capacity expansion of captive plant, reduction in cost of manufacturing and diversification in new high value chemical products.



Disclosures:

The following disclosures as may be applicable has been mentioned in the financial statements:

- (i) all elements of remuneration package such as salary, benefits, bonuses, stock options, pension, etc., of all the directors – Extract of Annual Return MGT 9
- (ii) details of fixed component and performance linked incentives along with the performance criteria – Annexure attached to annual report
- (iii) service contracts, notice period, severance fees – NA
- (iv) stock option details, if any, and whether the same has been issued at a discount as well as the period over which accrued and over which exercisable – N.A

ITEM NO: 3

The Board of Directors of the Company, on the recommendation of the Nomination and Remuneration Committee and taking into account the need for providing advice, guidance and mentorship to the Company's management, approved at its meeting held on August 30th 2022 have, subject to approval of members, reappointed Mrs. Renu Mehra(DIN: 02033471) as the Non-Executive Director, , on terms and conditions including professional fee as recommended by the Nomination and Remuneration Committee and approved by the Board. It is proposed to seek members' approval for the re-appointment of and Professional fee payable to Mrs. Renu Mehra ,Non- Executive Director of the Company, in terms of the applicable provisions of the Act. Pursuant to recommendation of Nomination and Remuneration Committee and approval of Board of Directors Meeting held on 30th August, 2022.

The Company has not committed any default in repayment of any of its debt (including public deposits) or debentures or interest payable thereon for a continuous period of thirty days in the preceding financial year. Broad particulars of the terms of re-appointment of and Professional fee payable to Mrs. Renu Mehra is as under:

Professional fee: Rs. 3,00,000 per month totaling to Rs. 36,00,000 per annum.

Mrs. Renu mehra and her husband Mr. Rajesh Kumar Mehra (Managing director) is interested in the resolution set out at Item No: 3 of the Notice. The relatives of Mrs. Renu Mehra may be deemed to be interested in the resolution set out at Item No.3 of the Notice, to the extent of their shareholding interest, if any, in the Company.

ITEM NO: 4

The Board recommends the special resolution set out at Item No: 4 of the Notice for approval by the members.

STATEMENTS AS PER PART II OF SECTION II OF SCHEDULE V OF THE COMPANIES ACT, 2013 In terms of provisions contained in section II Part II of Schedule V of the Companies Act, 2013, in case of inadequate profit for managerial remuneration, the relevant details regarding the performance of the Company and of the appointee are furnished hereunder:

General Information:

1.	Nature of Industry	Wearing apparels		
2.	Date of Commencement	The Company was incorporated on February 2, 2002 and its operating activities commenced thereafter.		
3.	Financial Performance based on given indicators	Particulars	31.03.2021	31.03.2022
		Total revenue	734458498.20	1154382428.51
		EBIDTA	107379144.85	96626438.18
		Net profit before Tax	744404.17	7109397.20



		Net Profit after tax	550859.17	5199598.20
4.	Foreign Investment or collaborations, if any	Not applicable		

Information about the Non Executive Director.

1.	Background	Has been on Board since 2002.
2.	Past Remuneration	Rs. 1,00,000/ P.M upto the time Company turned Public Limited
3.	Job Profile and his suitability	Professional
5.	Remuneration proposed	Rs. 12,00,000 P.A
6.	Comparative remuneration profile	The same is much lower qua his qualification and experience.
7.	Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any	Is Promoter of the Company

Remuneration profile with respect to industry, size of the Company, profile of the person and position: Mrs. Renu Mehra is a graduate of 1988 .She has been with the Company since inception and has guided the Company to reach at such levels. Her experience cannot be valued in monetary terms with the kind of professional services being given by her over these years and people employed in the line with this experience earn much better in industry.

Pecuniary relationship directly or indirectly with the Company or relationship with the managerial personnel, if any : The Director is a promoter investor of the Company and is wife of Mr. Rajesh Kumar Mehra , Managing director.

Other Information:

Reason for inadequacy of profits, steps taken for improvement and expected increased in productivity: The Company is an MSME, Medium sized Company. The scale of operations is medium sized and is not enough to sustain required profitability. However the revenue and turnover of the Company is growing at a steady rate. Other reasons for low profitability are higher cost towards increasing raw material prices, other direct costs and depleted margins due to intensified global competition. Effective steps are taken to improve the performance of the Company by reducing cost of production and other direct cost and by strengthening existing manufacturing facilities and by ensuring increase in turnover effectively. This would help the Company to achieve better economies of scale, larger volume and improved profitability.

Steps taken or proposed to be taken for improvement. The Company is working on expansion and diversification, digitization of operations and processes, cost optimization, sales maximization focusing on overseas markets and exports. The Company is also aiming for value-added product offerings, capacity expansion of captive plant, reduction in cost of manufacturing and diversification in new high value chemical products.

Disclosures

The following disclosures as may be applicable has been mentioned in the financial statements:

- (i) all elements of remuneration package such as salary, benefits, bonuses, stock options, pension, etc., of all the directors – Extract of Annual Return MGT 9
- (ii) details of fixed component and performance linked incentives along with the performance criteria – Annexure attached to annual report
- (iii) service contracts, notice period, severance fees – NA



- (iv) stock option details, if any, and whether the same has been issued at a discount as well as the period over which accrued and over which exercisable – N.A

ITEM NO: 5

All the related party transaction(s) specified under Section 188(1), the value/consideration of which is in respective limits prescribed under Rule 15(3) of the Companies (Meetings of Board and its Powers) Rule, 2014, has to be approved by the members in the General Meeting. Whereas the third proviso to section 188(1) also states that nothing in section 188(1) will apply to any transaction entered into by the company in its ordinary course of business and at arm's length basis. Further in accordance with Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 has also prescribed seeking of shareholders' approval for material related party transactions. The Company in its ordinary course of business enters into various Agreement(s)/ Contract(s)/ Transaction(s), for purchase and sale of goods, rendering/availing of services and reimbursement of expenses on arm's length basis. All the aforesaid transactions are entered pursuant to prior approval of Audit Committee. Taking into account the statutory provisions, the Board of Directors intends to seek prior approval of members for the transactions to be entered by the Company and detail is in the table below:

Sr No:	Particulars	Detail
1.	Name of Related Party	Mrs. Kalika Mehra
2.	Name of Director who is related	Mr. Rajesh Kumar Mehra, Managing Director is father and Mrs. Renu Mehra, Non-Executive Director is mother of Mrs. Kalika Mehra.
2.	Nature of Relationship	Director's Relative
3.	Nature, duration of Contract	Availing or rendering any services for 5 years
4.	Value of Transaction	Rs.30.00 Lac per annum
5.	Advance paid or received	Nil
6.		

In view of compliance with Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, approval of members for the above Related Party Transactions is being sought by way of Ordinary Resolution. The proposal outlined above will contribute to continuous growth in sales & profits of your Company and is in the interest of the Company. Hence, the Audit Committee / Board recommends the resolution set out in the Item as an Ordinary resolution.

Place: Mohali

Date: 30th August, 2022

Order of the Board

Sd/-

(Rajesh Kumar Mehra)
Managing Director



REGULATION 36(3) OF LODR, 2015

Name	Renu Mehra
Father Name	Baldev Krishan
Designation	Non- Executive Director and Non-Executive Chairman
Nature of expertise	28 years' experience
Relationship with director	Wife of Mr.Rajesh Kumar Mehra, Managing Director
Directorship in other listed Entities	NIL
Shareholding	29.7%
Term of Employment	Five years
Original date of appointment	27/02/2002
Date of change in designation	27/11/2017
No of Board Meeting attended during the year	5
Directorships in other Listed Companies as on 31st March, 2022:	Nil

Place: Mohali
Date: 30th August, 2022

By Order of the Board

Sd/-
(Rajesh Kumar Mehra)
Managing Director



Attendance Slip

(To be handed over at the entrance of the Meeting Hall)

Folio No./ DP ID & Client ID: _____
No. of Shares held: _____

I certify that I am a registered Share holder / Proxy for the registered Share holder of the Active Clothing Co Limited, I hereby record my presence at the 20th Annual General Meeting of the Company being held on Thursday, 29th day of September, 2022 at 11:00 A.M. at Plot No. E-225, Phase-VIII B, Industrial Area, Focal Point, Mohali 160055

I Member's/Proxy's name in Block Letters

(Member's/Proxy's Signature)

Notes:

1. Please refer to the instructions printed under the Notes to the Notice of the 20th Annual General Meeting.
2. Shareholders/Proxy holders are requested to bring the attendance Slip with them when they come to the Meeting.
3. No attendance slip will be issued at the time of meeting.
4. Shareholders who come to attend the meeting are requested to bring their copies of the Annual Report with them, as spare copies will not be available at the meeting.



**Form No. MGT-11
PROXY FORM**

[Pursuant to Section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

CIN: L51311PB2002PLC033422

Name of the company: Active Clothing Co Limited.

Registered office: Plot No. E-225, Phase-VIII B, Industrial Area, Focal Point, Mohali 160055

Name of Shareholder: _____

Registered Address: _____

Email ID : _____

Folio/No. /DPID & Client ID: _____

I/We, being the member(s) of shares of the above named company, hereby appoint

- 1) _____ of _____ having e-mail id _____
_____ or failing him.
- 2) _____ of _____ having e-mail id _____
_____ or failing him.
- 3) _____ of _____ having e-mail id _____

and whose and whose signatures are appended below as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 20th Annual General Meeting of the Company, to be held on the Thursday, 29th day of September, 2022 at 11:00 A.M. at Plot No. E-225, Phase-VIII B, Industrial Area, Focal Point, Mohali 160055 and at any adjournment thereof in respect of such resolutions as are indicated below:

Sr. No.	Description	For	Against
	ORDINARY BUSINESS:		
1.	THE AUDITED FINANCIAL STATEMENTS OF THE COMPANY TOGETHER WITH THE REPORTS OF BOARD OF DIRECTORS AND THE AUDITORS THEREON.		
	SPECIAL BUSINESS:		
2.	TO RE-APPOINT MR. RAJESH KUMAR MEHRA (DIN: 00026176) AS MANAGING DIRECTOR.		
3.	TO RE-APPOINT MRS. RENU MEHRA (DIN 02033471) AS NON-EXECUTIVE DIRECTOR		
4.	APPROVAL OF PROFESSIONAL FEE TO MRS. RENU MEHRA (DIN: 02033471), NON- EXECUTIVE DIRECTOR OF THE COMPANY INCASE OF INADEQUATE PROFITS:		
5.	APPROVAL FOR RELATED PARTY TRANSACTIONS		

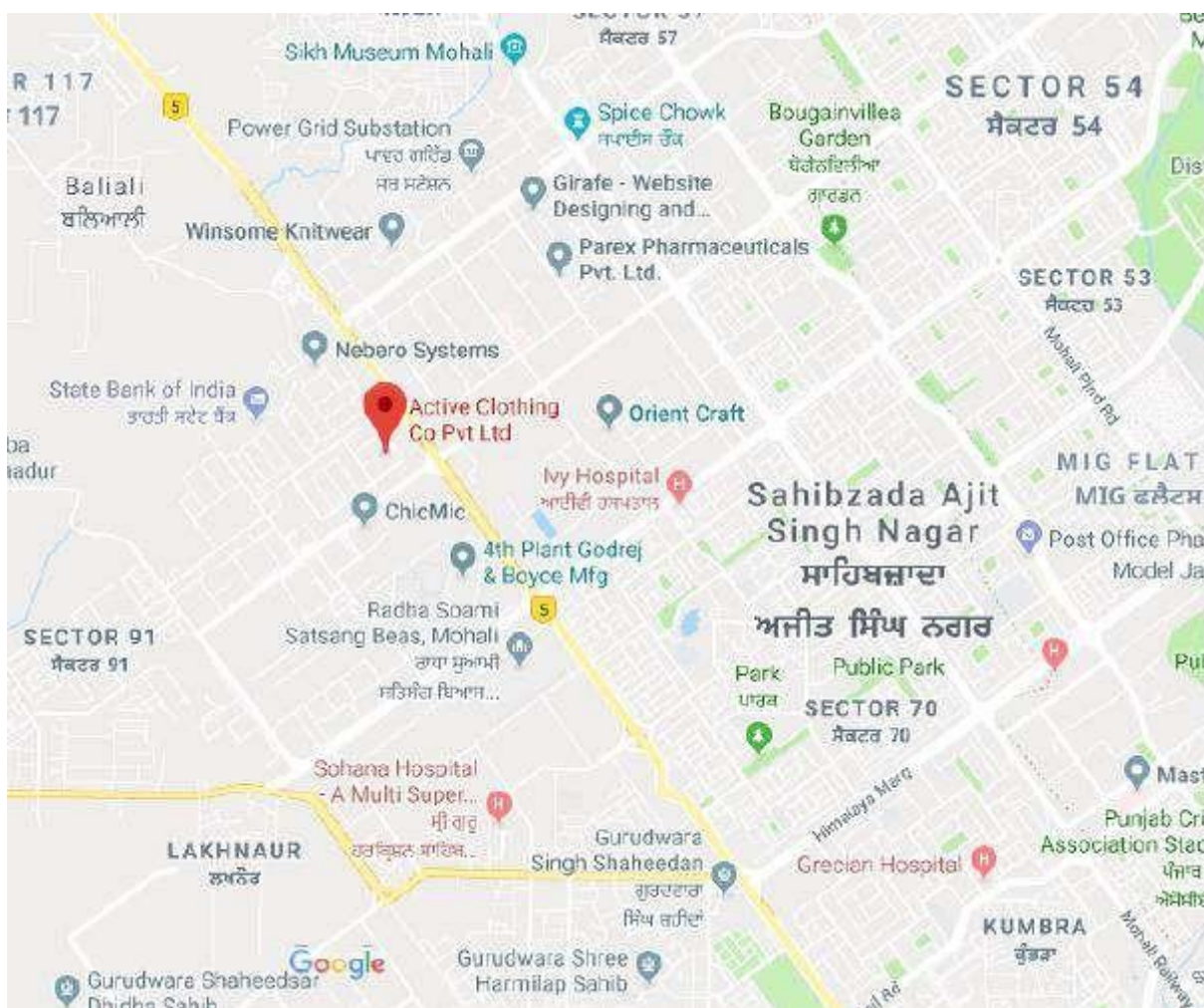
Affix
Revenue
Stamp

Signature



Notes:

1. This Form of the proxy in order to be effective should be duly stamped, completed and signed and must be deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
2. A proxy need not be a member of the Company.
3. A person can act as a proxy on behalf of the members not exceeding 50 and holding in aggregate not more than 10% of the total share capital of the Company carry voting rights.
4. If a member holding more than 10% of the total share capital carrying voting rights may appoint a single person as a proxy and such person shall not act as proxy for any other member.
5. In case of Joint holder, the vote of the senior who tender as vote, whether in person or by proxy, shall be accepted to the exclusion to the vote of other joint holders. Seniority shall be determined by the order in which the name stand in the register of members.
6. This is optional please put a tick mark () in appropriate column against the resolution indicated above. In Case of members wishes his/her vote to be used differently, he/she should indicate the number of shares under the columns “For”, “Against”. In case the members leave the column(s) blank, the proxy will be entitled to vote in the manner he/she thinks appropriate.

ROUTE MAP TO THE VENUE OF 20TH ANNUAL GENERAL MEETING

**VENUE: PLOT NO. E-225, PHASE-VIII B, INDUSTRIAL AREA, FOCAL POINT,
MOHALI 160055**

DATE: 29.09.2022

TIME: 11:00 A.M



DIRECTORS' REPORT

To

The Members,

Your Directors have great pleasure in presenting the 20th Annual Report and the Audited Accounts of your Company for the year ended 31st March 2022.

FINANCIAL HIGHLIGHTS

(Amount In Rs)

Particulars	Year ended 31 st March, 2022	Year ended 31 st March, 2021
(a) Turnover	1150806134.44	731410242.91
(b) other income	3576294.07	3048255.81
(c) Gross Profit/(Loss) (before depreciation and tax)	41068898.09	38581275.94
Less : Depreciation	33959500.89	37836871.77
(d) Net Profit/(Loss) before tax	7109397.20	744404.17
Less : Provision for Tax (including for deferred tax)	1909799	193545
(e) Net Profit/(Loss) After Tax	5199598.20	550859.17

DIVIDEND

In view of continuous expansion activities, directors do not recommend any dividend.

TRANSFER TO RESERVES:

The Company has transferred the profit to the reserves during the financial year.

SHARE CAPITAL

There was no change in the Authorized and Paid up share capital of the Company during the year.

PUBLIC DEPOSITS

During the financial year 2021-22 your Company has not accepted any deposit within the meaning of Sections 73 and 74 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014.

SUBSIDIARY, JOINT VENTURES OR ASSOCIATE COMPANIES

Your Company does not have any Subsidiary, Joint Ventures or Associate Company

PARTICULARS OF LOANS, GUARANTEE OR INVESTMENTS

During the year under review, the Company has not made any Loans, Guarantees or Investments within the meaning of the provisions of Section 186 of the Companies Act, 2013.



CORPORATE SOCIAL RESPONSIBILITY

The provisions of Companies Act, 2013 regarding Corporate Social Responsibility are not attracted to the company. Therefore Company has not constituted a Corporate Social Responsibility Committee. The provisions of a Corporate Social Responsibility shall be complied by the Company as and when applicable.

MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN 31ST MARCH, 2022 AND THE DATE OF THIS REPORT.

No material changes and commitments affecting the financial position of the Company have occurred between the end of the financial year of the Company to which the financial statement relates and the date of the Board Report, other than the effects of global pandemic on business.

COMMITTEES OF THE BOARD :

The Company has constituted the following committees in compliance with the Companies Act, 2013 and the Listing Regulations.

1. Audit Committee;
2. Nomination and Remuneration Committee;
3. Stakeholders Relationship Committee and

All these Committees have been established as a part of the best corporate governance practices. There have been no instances where the Board has not accepted any recommendation of the aforesaid Committees. The details in respect to the Compositions, Powers, Roles, and Terms of Reference etc. are provided in the Corporate Governance Report forming part of this Report.

DISCLOSURE RELATING TO REMUNERATION OF DIRECTORS, KEY MANAGERIAL PERSONNEL

As per Annexure attached.

PARTICULARS OF EMPLOYEES & RELATED DISCLOSURES

The information required Pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5(2) & 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and forming part of the Directors Report for the year ended 31st March, 2022.

Disclosure relating to remuneration and other details 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 as provided in the Annual Report.

Having regard to the provision of the first proviso to section 136 (1) of the Act and as advised the Annual Report excluding the aforesaid information is being sent to the Members of the Company. The said information is available for inspection by the Members at the Registered Office of the Company during business hours and any Member interested in obtaining such information may write to the Company Secretary and same will be furnished.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

The Board of Directors presently consists of 4 (Four) Directors including a 1 (One) Chairman & Managing Director, 1 (One) Non-Executive Director, 2 (Two) Independent Directors

During the year under review, there has been no change in the Key Managerial Personnel and None of the Directors of the company are disqualified for appointment or for continuation as Director of the Company in terms of the provisions of section 164 of the Companies Act, 2013.



PENALTIES/PUNISHMENTS/COMPOUNDING OF OFFENCES

During the year, there were no penalties/punishments/compounding offences under the Companies Act, 2013

DECLARATIONS GIVEN BY INDEPENDENT DIRECTORS

All the Independent Directors have confirmed to the Board that they meet the criteria of independence as specified under Section 149(6) of the Act and that they qualify to be independent directors pursuant to the Rule 5 of the Companies (Appointment and Qualification of Directors) Rules, 2014. They have also confirmed that they meet the requirements of 'Independent Director' as mentioned under Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The confirmations were placed before and noted by the Board.

ANNUAL EVALUATION OF BOARD'S PERFORMANCE

Pursuant to the provisions of companies Act, 2013 and in accordance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has carried out annual performance evaluation of its own performance, the Directors individually as well the evaluation of the working of its Audit, Nomination & Remuneration, and Stakeholder Relationship Committee.

The directors expressed their satisfaction with the evaluation process.

A CERTIFICATE FROM COMPANY SECRETARY IN PRACTICE THAT NONE OF THE DIRECTORS ON THE BOARD OF THE COMPANY HAVE BEEN DEBARRED OR DISQUALIFIED FROM BEING APPOINTED OR CONTINUING AS DIRECTOR OF THE COMPANY BY THE BOARD/MINISTRY OF CORPORATE AFFAIR OR ANY SUCH STATUTORY AUTHORITY.

The Certificate of the Company Secretary in practice is annexed herewith as a part of the report.

BUSINESS RISK MANAGEMENT

Pursuant to the provisions of Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has adhered to the principles of sound risk management and has a Risk Management Policy in Place.

The main objective of this policy is to ensure sustainable business growth with stability and to promote a pro-active approach in reporting, evaluating and resolving risks associated with the business. In order to achieve the key objective, the policy establishes a structured and disciplined approach to Risk Management, in order to guide decisions on risk related issues.

INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY

The Company has adequate system of internal control to safeguard and protect from loss, unauthorized use or disposition of its assets. All the transactions are properly authorized, recorded and reported to the Management. The Company is following all the applicable Accounting Standards for properly maintaining the books of accounts and reporting financial statements. The internal auditor of the company checks and verifies the internal control and monitors them in accordance with policy adopted by the company. The Company continues to ensure proper and adequate systems and procedures commensurate with its size and nature of its business.



VIGIL MECHANISM / WHISTLE BLOWER POLICY

Pursuant to Section 177(9) of the Companies Act, 2013 read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014 and Regulation 22 of the Listing Regulations, the Company has a whistle blower policy in place for its Directors and Employees to report concern about unethical behavior, actual or suspected fraud or violation of the Company's code of conduct. The functioning of the vigil mechanism is reviewed by the Audit Committee from time to time. None of the Directors or employees have been denied access to the Audit Committee of the Board. During the year, under review, the Company did not receive any complaint under the said Mechanism.

BOARD MEETINGS

During the year 5 (Five) Board Meetings were held. The provisions of Companies Act, 2013 and listing agreement were adhered to while considering the time gap between the two meetings

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS.

There have been no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and the Company's future operations

ENVIRONMENT & SAFETY:

The Company is very conscious of the need to protect environment. The company is taking all possible steps for safeguarding the environment.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section on 134(3)(c) read with Section 134(5) of the Companies Act, 2013, your Directors confirm:

- a) that in the preparation of the annual financial statements for the year ended March 31, 2022, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- b) that such accounting policies as mentioned in Notes to the Financial Statements have been selected and applied consistently and judgment and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2022 and of the Profits of the Company for the year ended on that date;
- c) that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) that the annual financial statements have been prepared on a going concern basis;
- e) that proper internal financial controls were in place and that the financial controls were adequate and were operating effectively;
- f) that systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

RELATED PARTY TRANSACTIONS

All related party transactions that were entered into during the financial year were on arm's length basis and were in the ordinary course of the business. There are no materially significant related party transactions made by the company with Promoters, Key Managerial Personnel or other designated persons which may have potential conflict with interest of the company at large.

All Related Party Transactions were placed before the Audit Committee & Board for their approval.



SECRETARIAL AUDITOR

The company had appointed Sethi Poonam & Associates to conduct its secretarial Audit for the financial year March 31st, 2022. The Secretarial Auditor has Submitted their report, confirming Compliance by the Company of all the provisions of applicable Corporate laws. The report doesn't contain any qualification, reservation, disclaim or adverse remark. The Secretarial Audit Report (in Form No. MR. 3) is attached as "Annexure- A" to this Report. The board has reappointed Sethi Poonam and Associates, as Secretarial Auditors of the Company for financial year 2021-22.

COST AUDITOR

In terms of the Companies (Cost Records and Audit) Amendment Rules, 2014, the Company is not covered under the purview of Cost Audit.

AUDITORS

At the annual general meeting held on September 2018, M/s. Jiwan Goyal & Associates, Chartered Accountants, (Firm Registration No. 012874N, Chartered Accountants as Statutory Auditors of the company to hold office till the conclusion of the annual general meeting of the company to be held in the calendar year 2023.

Pursuant to the notification issued by the ministry of the corporate affairs on the 7th May 2018 amending section 139 of the Companies Act 2013 the mandatory requirement for ratification of the appointment of auditors by the members at every AGM has been omitted and hence company has not proposed ratification of appointment of M/s. Jiwan Goyal & Associates, Chartered Accountants, (Firm Registration No. 012874N, at the forthcoming AGM.

AUDITORS' REPORT

The observations of the Statutory Auditors, when read together with the relevant notes to the accounts and accounting policies are self-explanatory.

REPORTS ON CORPORATE GOVERNANCE AND MANAGEMENT DISCUSSION & ANALYSIS

The Company is committed to follow the best Corporate Governance practices, including the requirements under the SEBI Listing Regulations and the Board is responsible to ensure the same, from time to time. The Company has duly complied with the Corporate Governance requirements. Further a separate section on Corporate Governance in compliance with the provisions of Regulation 34 of the Listing Regulations read with Schedule V of the said regulations alongwith a Certificate from a Practicing Company Secretary confirming that the Company is and has been compliant with the conditions stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 forms part of the Annual Report.

LISTING OF EQUITY SHARES

The Equity Shares of the Company are listed on Main Board BSE Limited (BSE), Mumbai and the listing fees for the Financial Year have been duly paid to the Stock Exchanges

DISCLOSURE FOR FRAUD AGAINST THE COMPANY

In term of provision of section 134(3) (a) of the Companies Act, 2013, there were no instances of fraud which are reported by auditors of the company under section 143(12) of the companies act, 2013, to the Audit Committee.



ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

ENERGY CONSERVATION

The prescribed particulars of conservation of energy, technology absorption as stipulated under Section 134 of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014. The Company plays a proactive role in the area of energy conservation and significant improvement by continuously improving operating practices and energy conservation.

TECHNOLOGICAL ABSORPTION

Having installed the latest, state-of-art machinery imported from different parts of the world, the research and development department is continuously on a lookout for adapting to latest technology innovation and absorption

FOREIGN EXCHANGE OUTGO AND EARNINGS

FOREIGN OUTGO: Nil

FOREIGN EARNINGS: Rs. 143830514.93

EXTRACT OF ANNUAL RETURN

The details forming part of the extract of the Annual Return in form MGT- 9 is annexed herewith as “*ANNEXURE –I*”

INSURANCE

All the properties of the Company are adequately insured. The Company is also adequately insured for its activities as stock & currency brokers and depository participant.

DISCLOSURE AS PER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013.

The Company has zero tolerance for sexual harassment at work place and has adopted a policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provision of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the rules framed hereunder.

Your Directors further state that as on date there is no case filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act 2013

GENERAL DISCLOSURES

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:- 1. Significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future



ACKNOWLEDGEMENTS

Your Directors wish to place on record their thanks and gratitude to the Company's Bankers, Customers and other Authorities for their support, co-operation, guidance and assistance. The Board is also grateful to the shareholders for their continued confidence. The Board of Directors takes this opportunity to express their appreciation of the sincere efforts put in by the staff and executives at all the levels and hopes that they would continue their dedicated efforts in the future too.

For and on behalf of the Board

Place: Mohali
Date: 30.08.2022

Sd/-
(Rajesh Kumar Mehra)
Managing Director

Sd/-
(Renu Mehra)
Director

ANNEXURE TO THE BOARD REPORT

I) Disclosure u/s 197(12) and Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

1	The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2021-22	Name of Director/ KMP and Designation	increase in Remuneration in the Financial Year 2021-22
		Mr. Rajesh Kumar Mehra (Managing Director)	NIL
		Mrs. Renu mehra (Non Executive Director & Non executive Chairman)	NIL
		Mr. Naval Kishore Gupta (Independent Director)	NIL
		Mr. Kishore Kumar Bajaj (Independent Director)	NIL
		Mr. Mandeep Singh (CFO)	NIL
		Mrs. Avneet Kaur Bedi Company Secretary	NIL
2	The % increase in the median remuneration of employees in the financial year-	9.84%	
3	The number of permanent employees on the rolls of Company.	876	
4.	Average percentile increase already made in the salaries of employees* other than the managerial personnel in the last financial year and its comparison with the percentage increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial Remuneration.	*5.65% N.A	
5.	Affirmation that the remuneration is as per the remuneration policy of the Company.	YES	



A. DETAILS OF THE PERSONS EMPLOYED THROUGHOUT THE YEAR, WHO WERE IN RECEIPT OF REMUNERATION WHICH IN AGGREGATE WAS NOT LESS THAN 102 LAKHS PER ANNUM AND 8.50 LAKHS PER MONTH AS FOLLOWS:- Not Applicable

Name of Employees	Age	Designation	Qualification	Nature of Employment	Experience	Date of Joining	Remuneration

B: STATEMENT SHOWING NAMES OF TOP TEN EMPLOYEES IN TERMS OF REMUNERATION DRAWN DURING THE YEAR IS AS FOLLOWS

Name of Employees	Age	Designation	Qualification	Nature of Employment	Experience	Date of Joining	Remuneration
Vijay	43	Manager	Mechanical Engineer	Knitting Division	18 years	06.07.2018	16,80,000
Ajay Kumar	42	Business Division head	PG-NIFT	Jacket Business	16 Years	01.06.2016	15,00,000
Hitesh Manuja	43	CEO of Sweater unit	B.Tech Textile	Sweater Business	20 Years	05.01.2017	15,00,000
Hans Kumar	49	GM	Graduate	GM	30 years	05.04.2018	15,00,000
Shivam khurana	49	GM	BE Production	Sweater division	22 years	18.10.2019	10,80,000
Harpreet Kaur	47	Manager	BSC Medical	Knitting Merchant	27 years	27.11.2018	9,60,000
Devindra	50	Manager	Graduate	Distribution Business	25 years	01.10.2002	8,42,736
Sandeep	48	Manager	Graduate	Distribution business	20 Years	01.08.2009	7,93,056
R.K Aggarwal	48	Manager	Graduate	Distribution business	15 years	01.03.2017	7,20,000
Mandeep Singh	58	CFO	B. COM	Account and Finance	30 Years	01.06.2010	6,12,576

NOTES:

1. The remuneration as shown above includes, inter-alia, House Rent Allowance, Company's contribution to Provident Fund, incentives and other perquisites as per the Company's policy.
2. Remuneration of Managing Director had no change for Financial Year 2021-22 and paid according to resolution passed of inadequate profit at 18th AGM.
3. Professional Fee paid to Non-Executive Director according to special resolution passed of inadequate profit at 18th AGM.
4. Mr. Naval Gupta and Mr. Kishore Kumar Bajaj Non-Executive directors and independent director seeking sitting fee

By Order of the Board

Sd/-

Rajesh Kumar Mehra
Managing director



FORM NO. AOC -2

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

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

1. Details of contracts or arrangements or transactions not at Arm's length basis.

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	
b)	Nature of contracts/arrangements/transaction	
c)	Duration of the contracts/arrangements/transaction	
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	
e)	Justification for entering into such contracts or arrangements or transactions'	
f)	Date of approval by the Board	
g)	Amount paid as advances, if any	
h)	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	

2. Details of contracts or arrangements or transactions at Arm's length basis.

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	
b)	Nature of contracts/arrangements/transaction	
c)	Duration of the contracts/arrangements/transaction	
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	
e)	Date of approval by the Board	
f)	Amount paid as advances, if any	

Note:

1. Professional fee paid to Mrs. Renu Mehra, Non-executive Director (Wife of Mr Rajesh Kumar Mehra Managing Director) is in Ordinary Course of business of the company and is at arm length basis. According to Regulation 23(1) of LODR it is not a material transaction and is as per remuneration policy of the company.
2. Fee paid to Mrs Kalika Mehra (Daughter of Mr. Rajesh Kumar Mehra and Mrs. Renu Mehra Director's) for availing or rendering services
3. The Service render is of professional nature and In the opinion of nomination and Remuneration Committee and is approved by special resolution approved by requisite shareholders of the companies

For and on behalf of the Board	
Sd/-	Sd/
(Rajesh Kumar Mehra	(Renu Mehra)
Managing Director	Director



ANNEXURE -I

FORM NO. MGT 9 EXTRACT OF ANNUAL RETURN

As on financial year ended on 31.03.2022.

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.

I. REGISTRATION & OTHER DETAILS:

1.	CIN	L51311PB2002PLC033422
2.	Registration Date	27/02/2002
3.	Name of the Company	Active Clothing Co Limited
4.	Category/Sub-category of the Company	COMPANY LIMITED BY SHARES INDIAN NON-GOVERNMENT COMPANY
5.	Address of the Registered office & contact details	Plot No. E-225, Phase-VIII B, Industrial Area, Focal Point, Mohali 160055
6.	Whether listed company	YES, LISTED ON BSE (SME SEGMENT)
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	BIGSHARE SERVICES PRIVATE LIMITED Office No: S6-2, 6 th Floor, Pinnacle Business Park, Next to Ahura Centre, Mahakali Caves Road, Andheri (East) Mumbai-400093. Tel: 022-40430200 Fax: 022-28475207

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY (All the business activities contributing 10 % or more of the total turnover of the company shall be stated)

S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Manufacture and sale of wearing apparel n.e.c	14109	100

III. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total equity)

Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year[As on 31-March-2021]				No. of Shares held at the end of the year[As on 31-March-2022]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	11407915		11407915	73.54	11407915		11407915	73.54	
b) Central Govt	0	0	0	0					



c) State Govt(s)	0	0	0	0					
d) Bodies Corp.	0	0	0	0					
e) Banks / FI	0	0	0	0					
f) Any other	6100		6100	0.04	6100		6100	0.04	
Total shareholding of Promoter (A)	11414015		11414015	73.58	11414015		11414015	73.58	
B. Public Shareholding									
1. Institutions	0	0	0	0	0	0	0	0	0
a) Mutual Funds	0	0	0	0	0	0	0	0	0
b) Banks / FI	0	0	0	0	0	0	0	0	0
c) Central Govt	0	0	0	0	0	0	0	0	0
d) State Govt(s)	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0
g) FIIs	0	0	0	0	0	0	0	0	0
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i) Others (specify) Market Maker									
Sub-total (B)(1):-									
2. Central Government State Government / President of India	0	0	0	0	0	0	0	0	0
Sub-total (B)(2):-	0	0	0	0	0	0	0	0	0
3. Non-Institutions									
a) Individuals									



i) Individual shareholders holding nominal share capital up to Rs. 2 lakh	1837590		1837590	11.85	1769490		1769490	11.40	(0.45)
ii) Individual shareholders holding nominal share capital in excess of Rs 2 lakh	1250000		1250000	8.05	1254000		1254000	8.08	0.03
b) NBFC's registered with RBI	0	0	0	0	0	0	0	0	0
c) Employee Trusts	0	0	0	0	0	0	0	0	0
d) Overseas Depositories (holding DRs) (Balancing Figure)	0	0	0	0	0	0	0	0	0
c) Others (Body Corp., HUF, clearing Member	1004610		1004610	6.48	1068710		1068710	6.88	(0.4)
Non Resident Indians	6000	0	6000	0.04	6000		6000	0.04	
Sub-total (B)(3):-	4098200		4098200	26.42	4098200		4098200	26.42	
Total Public Shareholding (B)=(B)(1)+(B)(2)+(B)(3)	4098200		4098200	26.42	4098200		4098200	26.42	
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0					
Grand Total (A+B+C)	15512215	0	15512215	100	15512215	0	15512215	100	



B) Shareholding of Promoter-

S N	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share- holding during the year
		No. of Shares	% of total Shares of the compa ny	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	RAJESH KUMAR MEHRA	5722715	36.89		5722715	36.89		
2	RENU MEHRA	4617700	29.77		4617700	29.77		
3	RAJESH MEHRA HUF	1067500	6.88		1067500	6.88		
4	KALIKA MEHRA	6100	0.04		6100	0.04		
	(relative of promoter)							
	Total	11414015	73.58		11414015	73.58		

C) Change in Promoters' Shareholding (please specify, if there is no change)

SN	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	11414015	73.58	11414015	73.58
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):				
	At the end of the year	11414015	73.58	11414015	73.58



**D) Shareholding Pattern of top ten Shareholders:
(Other than Directors, Promoters and Holders of GDRs and ADRs):**

S N	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	2616610	16.86	2616610	16.86
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):				
	At the end of the year	2558610	16.49	2558610	16.49

E) Shareholding of Directors and Key Managerial Personnel:

SN	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	1,03,40,415	66.66	1,03,40,415	66.66
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):				
	At the end of the year	1,03,40,415	66.66	1,03,40,415	66.66



F) INDEBTEDNESS -Indebtedness of the Company including interest outstanding/accrued but not due for payment.

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	537228884.86	---	---	537228884.86
ii) Interest due but not paid		---		
iii) Interest accrued but not due				
Total (i+ii+iii)	537228884.86	---	---	537228884.86
Change in Indebtedness during the financial year	---	---	---	---
* Addition	--	---	---	
* Reduction	(32880603.12)	---		(32880603.12)
Net Change	(32880603.12)	---		(32880603.12)
Indebtedness at the end of the financial year		---		
i) Principal Amount	504348281.74	---	---	504348281.74
ii) Interest due but not paid	---	---	---	
iii) Interest accrued but not due	504348281.74	---	---	504348281.74
Total (i+ ii+ iii)	504348281.74	---	---	504348281.74

IV. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

SN.	Particulars of Remuneration	Name of MD/WTD/ Manager			Total Amount
		Rajesh Kumar Mehra (M.D)			
1	Gross salary	12,00,000			12,00,000
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961				
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	Nil			
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	Nil			
2	Stock Option	Nil			
3	Sweat Equity	Nil			
4	Commission - as % of profit - others, specify...	Nil			
5	Others, please specify	Nil			
	TOTAL (A)	1200000			1200000
	Ceiling as per the act				



B. Remuneration to other directors

SN.	Particulars of Remuneration	Name of Directors			Total Amount
		Naval Kishore Gupta	Kishore Kumar Bajaj	Renu Mehra	
1	Independent Directors				
	Fee for attending board committee meetings	60000	60000		
	Commission	Nil	Nil		
	Others, please specify	Nil	Nil		
	Total (1)	60000	60000		1,20,000
2	Other Non-Executive Directors		-		
	Commission	-	-		-
	Others (Professional fee)		-	12,00,000	12,00,000
	Total (2)	-	-		-
	Total (B)=(1+2)	Nil	Nil		
	Total Managerial Remuneration				
	Overall Ceiling as per the Act				

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MANAGER/WTD/MD

SN	Particulars of Remuneration	Key Managerial Personnel			
		CEO	CS	CFO	Total
1	Gross salary	-	2,40,000/-	6,00,000/-	
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-		-	
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	Nil	Nil	Nil	Nil
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	Nil	Nil	Nil	Nil
2	Stock Option	Nil	Nil	Nil	Nil
3	Sweat Equity	Nil	Nil	Nil	Nil
4	Commission	Nil	Nil	Nil	Nil
	- as % of profit	Nil	Nil	Nil	Nil
	others, specify...	Nil	Nil	Nil	Nil
5	Others, please specify	Nil	Nil	Nil	Nil
	Total		2,40,000	6,00,000	



V. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY: NIL					
Penalty					
Punishment					
Compounding					
B. DIRECTORS: NIL					
Penalty					
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT: NIL					
Penalty					
Punishment					
Compounding					

For and on behalf of the Board

Sd/-
(Rajesh Kumar Mehra
Managing Director

Sd/-
(Renu Mehra)
Director



DECLARATION BY INDEPENDENT DIRECTORS

Dated: 28.05.2022

To

The Board of Directors,

Active Clothing Co Private Limited

Regt Office: Plot No. E-225, Phase-VIII B, Industrial Area, Focal Point,
Mohali

Sub: Declaration of independence and sub-section (6) of section 149 of the companies Act, 2013

I, Naval Kishore Gupta, S/o Sh. Gujjar Mal House No. 56, Sector 10, Panchkula Director Identification Number 07362996 hereby certify that:

1. I possess relevant expertise and experience to be an independent director of the company.
2. I am/was not a promoter of the company or its holding, subsidiary or associate company;
3. I am not related to promoters or directors in the company, its holding, subsidiary or associate company
4. None of my relatives has or had pecuniary relationship or transaction with the company, its holding, subsidiary or associate company, or their promoters, or directors.
5. neither myself nor any of my relatives—
 - (a) holds or has held the position of a key managerial personnel or is or has been employee of the company or its holding, subsidiary or associate company.
 - (b) or has been an employee or proprietor or a partner.
 - (c) a firm of auditors or company secretaries in practice or cost auditors of the company or its holding, subsidiary or associate company.
 - (d) any legal or a consulting firm that has or had any transaction with the company, its holding, subsidiary or associate company amounting to ten per cent. or more of the gross turnover of such firm;
 - (e) holds together with his relatives two per cent. or more of the total voting power of the company; or
 - (f) is a Chief Executive or director, by whatever name called, of any nonprofit organisation that receives twenty-five per cent. or more of its receipts from the company, any of its promoters, directors or its holding, subsidiary or associate company or that holds two per cent. or more of the total voting power of the company;
6. I am not the material supplier, service provider or customer or lessor or lessee of the company.
7. I am not less than 21 years of age.



DECLARATION

I undertake that I shall seek prior approval of the Board if and when I have any such relationship/transactions, whether material or non-material. If I fail to do so I shall cease to be an independent director from the date of entering in to such relationship/transactions.

Further, I do hereby declare and confirm that the above said information's are true and correct to the best of my knowledge as on the date of this declaration of independence and I shall take responsibility for its correctness and shall be liable for fine, if any, imposed on the Company, its directors, if the same found wrong or incorrect in the future.

I further undertake to intimate immediately upon changes, if any, to the Company for updating of the same.

Thanking You,
Yours faithfully,

Sd/-

Naval Kishore Gupta



Dated: 28.05.2022

To

The Board of Directors,
Active Clothing Co Private Limited

Regt Office: Plot No. E-225, Phase-VIII B, Industrial Area, Focal Point,
Mohali

Sub: Declaration of independence and sub-section (6) of section 149 of the companies Act, 2013

I, Kishore Kumar Bajaj, S/o Mr. Ved Parkash Bajaj, D-3/3385, Vasant Kunj, South West Delhi having Director Identification Number 06946343 hereby certify that:

1. I possess relevant expertise and experience to be an independent director of the company.
2. I am/was not a promoter of the company or its holding, subsidiary or associate company;
3. I am not related to promoters or directors in the company, its holding, subsidiary or associate company
4. None of my relatives has or had pecuniary relationship or transaction with the company, its holding, subsidiary or associate company, or their promoters, or directors.
5. neither myself nor any of my relatives:
 - (a) holds or has held the position of a key managerial personnel or is or has been employee of the company or its holding, subsidiary or associate company.
 - (b) or has been an employee or proprietor or a partner.
 - (c) a firm of auditors or company secretaries in practice or cost auditors of the company or its holding, subsidiary or associate company.
 - (d) any legal or a consulting firm that has or had any transaction with the company, its holding, subsidiary or associate company amounting to ten per cent. or more of the gross turnover of such firm;
 - (e) holds together with his relatives two per cent. or more of the total voting power of the company; or
 - (f) is a Chief Executive or director, by whatever name called, of any nonprofit organisation that receives twenty-five per cent. or more of its receipts from the company, any of its promoters, directors or its holding, subsidiary or associate company or that holds two per cent. or more of the total voting power of the company;
7. I am not the material supplier, service provider or customer or lessor or lessee of the company.
8. I am not less than 21 years of age.



DECLARATION

I undertake that I shall seek prior approval of the Board if and when I have any such relationship/transactions, whether material or non-material. If I fail to do so I shall cease to be an independent director from the date of entering in to such relationship/transactions.

Further, I do hereby declare and confirm that the above said information's are true and correct to the best of my knowledge as on the date of this declaration of independence and I shall take responsibility for its correctness and shall be liable for fine, if any, imposed on the Company, its directors, if the same found wrong or incorrect in the future.

I further undertake to intimate immediately upon changes, if any, to the Company for updating of the same.

Thanking You,
Yours faithfully,

Sd/-

Kishore Kumar Bajaj



Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31.03.2022

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

To,

The Board of Directors

Active Clothing Co Limited

**Regd Office: Plot No. E-225, Phase-VIII B, Industrial Area, Focal Point,
Mohali-160055**

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Active Clothing Co Limited** ('the Company'). The secretarial audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing my opinion thereon.

Based on my verification of the **Active Clothing Co Limited** 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, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on March 31, 2022 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent and in the manner reported hereinafter.

I have examined the books, papers, minute books, forms and returns filed and other records maintained by **Active Clothing Co Limited** ("the Company") for the financial year ended on 31st March, 2022 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; **Company has made the general compliances under the said Act.**
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992; **Company has made the general compliances under the said Act.**
 - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; **Not applicable during the period under review**
 - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **Company has not issued any debt security. Hence, Not applicable during the period under review**
 - f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; **Company has made the**



general compliances under the said Act.

- g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; Not applicable during the period under review and**
- h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; Not applicable during the period under review**

I have relied on the representation made by the Company and its officers for systems and mechanism formed by the company for compliance under other applicable acts, Laws and Regulations of the Company and records in pursuit there to, on test check basis, we report that the company has generally complied with the following laws applicable to the company.

1. The Factories Act, 1948;
2. The Payment of Wages Act, 1936 and The Payment of Wages (Amendment) Act, 2017;
3. The Payment of Bonus Act, 1965 and The Payment of Bonus (Amendment) Act, 2015;
4. The Payment of Gratuity Act, 1972;
5. The Industrial Employment (Standing Orders) Act, 1946;
6. The Industrial Disputes Act, 1947;
7. The Employees' State Insurance Act, 1948;
8. The Employees' Provident Funds and Miscellaneous Provisions Act, 1952;
9. The Environment (Protection) Act, 1986;
10. The Hazardous Wastes (Management, Handling and Transboundary Movement) Rules, 2008;
11. The Water (Prevention And Control of Pollution) Act, 1974;
12. The Air (Prevention And Control of Pollution) Act, 1981;
13. The Indian Boilers Act, 1923 and The Indian Boilers (Amendment) Act, 2007

I 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 Listing Agreements entered into by the Company with Bombay Stock Exchange(s), During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

I 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 period under review were carried out in compliance with the provisions of the Act. Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

I 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.



I further report that the Company was listed on **Bombay Stock exchange on SME segment as on 31.03.2022 and Migrated to Main Board of BSE dated: 15.07.2022.**

For Sethi Poonam & Associates
Practicing Company Secretary

Sd/-

Poonam Sethi (Prop.
Certificate of Practice No. 21751

Date: 30st August, 2022

Place: Ludhiana

*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 Board of Directors

Active Clothing Co Limited

Regd Offc: Plot No. E-225, Phase-VIII B, Industrial Area, Focal Point,

Mohali-160055

Our report 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 Sethi Poonam & Associates
Practicing Company Secretary

Sd/-

Poonam Sethi (Prop.)
Certificate of Practice No: 21751

Date: 30.08. 2022

Place: Ludhiana



CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

Based on our verification of the books, Paper, minute books, forms and returns filed and other records maintained by ACTIVE Clothing CO LIMITED, having its Registered office at Plot no.E-225, Phase-VIII B, industrial Area, Focal Point, Mohali-160055 and also the information provided by the Company, its officers, agents and authorized representatives, we hereby report that during the financial Year ended on March 31, 2022, in our opinion, none of the director on the Board of the Company have been debarred or disqualified from being appointed or continuing as Director of the Company by the Board/Ministry of Corporate Affair or any such Statutory Authority.

Place: Ludhiana
Date: 28.05.2022

POONAM SETHI
SETHI POONAM & ASSOCIATES
Company Secretaries

Sd/-
C.P. No: 21751



REPORT ON CORPORATE GOVERNANCE

[In terms of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations')]

The Directors present the Company's Report on Corporate Governance for the year ended March 31, 2022, in terms of Regulation 34(3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

The Company believes that Corporate Governance is a set of processes, customs, policies, rules, regulation and laws for ensuring transparency, professionalism and accountability in its dealings with its customers, principal, employees, shareholders and with every individual who comes in contact with the Company. The Company's philosophy on Corporate Governance is bounded upon a rich legacy of fair ethical governance practices which has been in practice since the beginning. In fact the company has long been a staunch supporter of this code even before it became mandatory. Integrity, transparency, accountability and compliance with laws which are columns of good governance have always been the hallmark of company. The Company is in full compliance with the requirements of Corporate Governance under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and in this regard, submits a report on the matters mentioned in the said clause and also the practices followed by the Company as stated below:

1. CODE OF BUSINESS CONDUCT & ETHICS

The Company has adopted a Code of Conduct and Business Ethics for Directors and Senior Management of the Company, as required under Regulation 17(5)(a) of the Listing Regulations. The Company has received confirmations from the Directors and Senior Management regarding compliance with the Code for the year ended 31st March, 2022. A certificate from the Managing Director to this effect is attached to this Report. The Code has been displayed on the Company's website

2. CODE OF CONDUCT FOR PREVENTION OF INSIDER TRADING

As required by the provisions of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and amended as per SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018, the Company has adopted a Code of Conduct for Prevention of Insider Trading. The Company Secretary acts as the Compliance Officer. The Code of Conduct is applicable to Promoter(s), Director(s), Key Managerial Personnel, specified employees and other Connected Person of the Company who are expected to have access to Unpublished Price Sensitive Information (UPSI) relating to the Company. All of them have duty to safeguard the confidentiality of all such information obtained in the course of his or her work at the Company. These Codes are displayed on the website of the Company. The Directors and senior employees have given affirmation for the compliance under this code.

The Company is in compliance with the requirements of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') for Corporate governance.

3. BOARD OF DIRECTORS

- I. Composition, Category and their attendance at the Board meetings during the year and at the last Annual General Meeting as also the number of other company Directorships /memberships of Committees are as follows:

As on 31st March, 2022 the Board of Directors comprised the Managing Director, one non- executive Director who is also Non-Executive chairman who is a Lady and Two Independent Directors, who bring in a wide range of skill and experience to the Board. The composition of the Board is in conformity with



SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Category of directorship	Names of the director	Attendance details		Other Director-ships*	Other board committee	
		Board meetings	Last agm 28.09.2021		Member-ships	Chairman-ships
Managing Director	Mr. Rajesh Kumar Mehra	5	Yes	1	-	-
Non-Executive Director and Non Executive Chairman	Mrs Renu Mehra	5	Yes	NIL	-	-
Independent Directors	Mr. Naval Kishore Gupta	5	Yes	NIL	-	-
	Mr. Kishore Kumar Bajaj	5	No	NIL	-	-

- II. NO. OF BOARD MEETINGS HELD DURING THE YEAR ALONG WITH THE DATES OF THE MEETING: DURING THE YEAR FIVE BOARD MEETINGS WERE HELD ON FOLLOWING DATES:

S.No	Date
1	25.06.2021
2	19.08.2021
3	02.09.2021
4	12.11.2021
5	11.02.2022

III. SHAREHOLDING DETAIL SOF DIRECTORS AS ON MARCH 31, 2022:

- Independent Directors do not hold any shares in the Company .
- Mrs. Renu Mehra, who is non executive director holds 4617700 equity shares in the Company.
- None of other Directors are related to each other except Mr. Mr. Rajesh Kumar mehra and Mrs. Renu Mehra. Mrs. Renu Mehra is the wife of Mr. Rajesh Kumar Mehra

IV. THE FOLLOWING TABLE GIVES THE NAMES OF THE LISTED ENTITIES WHERE THE DIRECTORS OF THE COMPANY ARE DIRECTORS AND THE CATEGORY OF THEIR RESPECTIVE DIRECTORSHIP AS ON MARCH 31, 2022:-

Name of the Director	Name of the companies in which The Director of the Company is a Director	Category of Directorship in the listed companies
Mr. Rajesh Kumar Mehra	Guram Neutra Pharma P Limited	Director

V. FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS:

The Company on appointment of an Independent Director, issues a formal Letter of Appointment setting out the terms of appointment, duties and responsibilities. The Company in terms of Regulation 25(7) of Listing Regulations, has also put in place a system to familiarize the Independent Directors of their roles, rights, responsibilities, nature of industry in which the Company operates, business model of the Company and the ongoing events relating to the



Company. It aims to provide the Independent Directors an insight into the Company's functioning and to help them to understand its business in depth, so as to enable them to contribute

VI. CORE SKILLS / EXPERTISE/COMPETENCIES OF THE BOARD MEMBERS

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 for the effective functioning of the Company and are currently available with the Board:

- Business Dynamics, Research & Development and Innovation
- Strategy and planning
- Leadership / Operational experience
- Financial, Regulatory / Legal & Risk Management
- Corporate Governance

VII. INDEPENDENT DIRECTORS CONFIRMATION BY THE BOARD

All the Independent Directors (IDs) have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulations. The Board of Directors hereby confirms that in its opinion, the Independent Directors of the Company fulfill the conditions as specified in the SEBI (Listing Obligations and Disclosure Requirements) Regulations and are independent of the management.

Resignation of Independent Director

During the year under review, none of the Independent Directors of the Company have resigned before the expiry of their tenure. Thus, disclosure of detailed reasons for their resignation along with their confirmation that there are no material reasons, other than those provided by them is not applicable

VIII. DIRECTORS' DIRECTORSHIPS/COMMITTEE MEMBERSHIPS

The number of Directorships and Committee positions held by the Directors are in conformity with the limits laid down in the Companies Act, 2013 and Listing Regulations, as on March 31, 2022. As per Regulation 26 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 none of the directors were a member in more than ten committees, nor a chairman in more than five committees across all companies. Further, As per Regulation 17A of the Listing Regulations, IDs of the Company do not serve as ID in more than seven listed companies. Further, the Managing Director of the Company does not serve as an ID in any listed entity.

IX. BOARD MEETING PROCEDURES

The Board is presented with detailed notes, along with the agenda papers, well in advance of the meeting. All material information is incorporated in the agenda for facilitating meaningful and focused discussions at the meeting. Where it is not practical to attach any document to the agenda, the same is tabled before the meeting with specific reference to this effect in the agenda. In special and exceptional circumstances, additional or supplementary items on the agenda are permitted. The required information as enumerated in Part A of Schedule II of the Listing Regulations are regularly made available to the Board of Directors for discussion and consideration at Board Meetings.

X. INFORMATION SUPPLIED TO THE BOARD

Regular presentations are made to the Board of Directors covering Business Operations, Finance, Sales, Accounts, Marketing, Compliances and other important business issues. The Annual



Operating and Capital Budget(s) are approved by the Board of Directors. The Board spends considerable time in reviewing the actual performance of the Company vis- à-vis the approved budget.

4. AUDIT COMMITTEE:

a) Composition, Meetings and Attendance:

The Audit Committee Comprises of two Independent Directors Mr. Kishore Kumar Bajaj (Chairman) Mr. Naval Kishore Gupta (Member) and One non executive Director Mrs. Renu Mehra (Member). All the members of Audit Committee are financially literate.

b) NO. OF MEETING HELD OF AUDIT COMMITTEE:

S. No.	Date
1.	25.06.2021
2.	02.09.2021
3.	12.11.2021
4.	11.02.2022

c) TERM OF REFERENCE OF AUDIT COMMITTEE ARE AS FOLLOWS:

Terms of Reference

The terms of reference of the Audit Committee are in line with Regulation 18 of the Listing Regulations and Section 177 of the Companies Act, 2013 and rules made thereunder. The brief description of the terms of reference of the Committee is described below:

Power of the Audit Committee:

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

Role of the Audit Committee

1. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the company;
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 Companies Act, 2013;
 - 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; and
 - g. Qualifications 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 utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
7. Review and monitor the auditor's independence and performance, and effectiveness of audit process;
8. Approval or any subsequent modification of transactions of the company with related p
Scrutiny of inter-corporate loans and investments;
9. Valuation of undertakings or assets of the company, wherever it is necessary;
10. Evaluation of internal financial controls and risk management systems;
11. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
12. 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;
13. Discussion with internal auditors of any significant findings and follow up there on;
14. 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;
15. 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;
16. Looking into the reasons for substantial defaults in the payment to depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
17. Reviewing the functioning of the Whistle Blower Policy /Vigil Mechanism;
18. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
19. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee

5. NOMINATION AND REMUNERATION COMMITTEE

a) COMPOSITION:

The Nomination and Remuneration comprise of two Independent Directors namely Mr. Kishore Kumar Bajaj (Chairman), Mr. Naval Kishore Gupta (Member), and one non –executive Director, Mrs. Renu Mehra (Member).

b) NO. OF MEETING HELD

S NO.	DATE
1.	25.06.2021

c) THE TERMS OF REFERENCE OF NOMINATION AND REMUNERATION COMMITTEE ARE AS FOLLOWS:

- 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.



- To identify persons who are qualified to become directors and persons who may be appointed in Senior Management Position including Key Managerial Personnel in accordance with the criteria laid down, and recommend to the Board of Directors their appointment and removal.
- Formulation of criteria for evaluation of performance of Independent Directors and the Board of Directors.
- To recommend to the Board of Directors, qualifications, appointment, remuneration and removal of directors, key managerial personnel and persons in senior management positions in accordance with the Nomination and Remuneration policy.
- To devise a policy on diversity of Board of Directors.
- To carry out performance evaluation of every Director in accordance with the Nomination and Remuneration policy.
- To consider grant of stock options to eligible Directors, to formulate detailed terms and conditions of Employee Stock Option Scheme (ESOS) and to administer and exercise superintendence over ESOS.
- 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.

d) PERFORMANCE EVALUATION:

In compliance with the requirements of the provisions of Section 178 of the Companies Act, 2013 and the listing regulations, the Company has devised a policy for performance evaluation of Independent Directors, Board Committees and other Directors which includes criteria for performance evaluation of the non- executive directors and executive directors. The evaluation of the Independent Directors was carried out by the Board excluding the director being evaluated and that of the Chairman and the Non-Independent Directors was carried out by the Independent Directors. The exercise was carried out through a structured evaluation process covering various aspects of the Board's functioning such as composition of the Board & committees, experience & competencies, performance of specific duties & obligations, governance issues etc. The performance was reviewed on the basis of the criteria such as the contribution of the individual director to the Board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc. The Directors express their satisfaction over the entire evaluation process.

e) REMUNERATION TO DIRECTORS:

Directors with pecuniary relationship or business transaction with the company:

The Executive Directors receives Salary, Perquisites, Allowances and other benefits in accordance with their terms of appointment, while all the Non-Executive Directors Receives Professional Fee and Independent Directors receives Sitting Fees for attending the Board Meetings. It is also to be noted that the transactions with other entities where Chairman & Managing Director/ Executive Directors are interested are being carried out by the Company in its ordinary course of business and on arm's length basis, in compliance with the laws applicable thereto.

f) CRITERIA MAKING PAYMENT TO DIRECTORS AND KEY MANAGERIAL PERSONNEL

As per the Nomination & Remuneration Policy of the Company, the Board, on the recommendation of the Nomination and Remuneration Committee, reviews and approves the remuneration payable to the Executive Directors and Key Managerial Personnel. The Board and the Committee considers the provisions of the Companies Act, 2013, the limits approved by the shareholders and the individual and corporate performance in recommending and approving the remuneration of the Executive Directors and Key Managerial Personnel. Further, the Chairman & Managing Director of the Company is authorized to decide the remuneration of KMP (other than Managing / Executive Director) and Senior



Management based on prevailing HR policies of the Company. The remuneration / sitting fees, as the case may be paid to the Non-Executive / Independent Director, shall be in accordance with the provisions of the Act and the Rules made there under for the time being in force or as may be decided by the Committee / Board / Shareholders.

6. STAKEHOLDERS' RELATIONSHIP COMMITTEE:

a. COMPOSITION:

The Stakeholder Relationship Committee comprises of one non-executive Director Mrs. Renu Mehra (Chairman) and two independent Directors Mr. Naval Kishore Gupta, and Mr. Kishore Kumar Bajaj, of the company.

b. NO OF MEETING HELD:

S NO.	DATE
1.	25.06.2021

c. TERMS OF REFERENCE:

- Redressal of shareholders'/investors' complaints;
- Reviewing on a periodic basis the Approval of transfer or transmission of shares, debentures or any other securities made by the Registrar and Share Transfer Agent;
- Issue of duplicate certificates and new certificates on split/consolidation/renewal;
- Carrying out any other function as may be decided by the board or prescribed under the company act, Listing Regulations or by any other regulatory authority.
- Details of Complaints received and resolved during the year ended on 31.03.2022:

Number of complaints pending at the beginning of the year	Nil
Number of complaints received from shareholders	Nil
Number of complaints redressed	Nil
Number of complaints pending share transfers	Nil

d. COMPLIANCE OFFICER:

The Board has designated Mrs. Avneet Kaur Bedi as Company Secretary and Compliance Officer of the Company.

7. INDEPENDENT DIRECTORS'MEETING

During the year under review, a separate meeting of Independent Directors was held on November 12, 2021, inter alia:-

- To review the performance of Non-Independent directors and the Board as a whole;
- To review the performance of the Chairperson of the Company, and;
- To assess the quality, quantity and timeliness of flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform their duties. All the Independent Directors were present at the meeting.

8. SUBSIDIARY COMPANIES



There is no material subsidiary of the Company and hence requirements relating to composition of Board of Directors of unlisted material subsidiary do not apply to the Company.

9. GENERAL BODY MEETINGS:

I. Date, Time and Location of the last three Annual General Meetings:

II. YEAR D t	LOCATION	DATE	TIME
2020-21	Plot No E-225, Phase – VIII B, Industrial Area, Focal Point, Mohali – 160055	28.09.2021	5.00P.M
2019-20	Plot No E-225, Phase – VIII B, Industrial Area, Focal Point, Mohali – 160055	30.09.2020	5.00P.M
2018-19	Plot No E-225, Phase – VIII B, Industrial Area, Focal Point, Mohali – 160055	27.09.2019	5.30P.M

III. Date Time and Location of the Extraordinary General Meetings/ Postal Ballot:

IV. Special Resolutions passed in previous three Annual General Meetings:

Date of Annual General Meeting	Particulars of Special Resolutions
28.09.2021	No such Special Resolution was passed.
30.09.2020	Approval of payment of remuneration at existing levels to Mr. Rajesh Kumar Mehra (DIN : 00026176), Managing Director of the company Approval of professional fee to Mrs. Renu Mehra (DIN: 02033471), Non-Executive Director of the company
27.09.2019	No such Special Resolution was passed.

V. Special Resolutions passed in previous three Extra Ordinary General Meetings during 2021-2022: Not Applicable

VI. Resolution passed by postal ballot during 2021-22:

No resolution was passed by postal ballot during the year 2021-22. At present, the Company does not have any resolution to be decided by members by postal ballot.

VII. Disclosures:

- None of the transactions with any of the related parties were in conflict with the interest of the Company.
- None of the Directors of the company are disqualified for being appointed as Directors as stipulated under section 164(2) and rule 14(1) of Companies (Appointment and Qualification of Directors) Rules, 2014 of the Companies Act, 2013.
- The Company promotes ethical behavior in its operations and has a Vigil mechanism which is overseen through the Audit Committee. Under the Vigil Mechanism, employees are free to report violations of applicable laws and regulations and the Code of Conduct. During the year under review, no employee was denied access to the Audit Committee.
- The Company has complied with the mandatory requirements on Corporate Governance under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- Your Company having no material subsidiary company in terms of Regulation 16 (c) of the SEBI (listing Obligation & Disclosure Requirements) Regulations, 2015.

VIII. Means of Communication:

- These results are also displayed on the Company's Website viz.
- These results are also submitted to BSE for display on their website www.bseindia.com.
- The Management Discussion and Analysis report forms part of this Annual Report.

10. GENERAL SHAREHOLDERS INFORMATION:

(i) ANNUAL GENERAL MEETING

Day, Date & Time	Thursday, 29 th September, 2022 at 11.00 A.M.
Venue	Plot No. E-225, Phase-VIII B, Industrial Area, Focal Point, Mohali PB 160055

- (ii) **BOOK CLOSURE:** Friday, 23th September, 2022 to Thursday, 29th September, 2022 (Both days inclusive)

(iii) LISTING ON STOCK EXCHANGES

BSE SME Ltd., Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400 001 upto 14.07.2022, BSE Main Board from 15.07.2022

Annual Listing Fees, as prescribed has been paid to the Stock Exchange for the year 2021-22.

- (iv) **STOCK EXCHANGE SCRIP CODE: 541144 (BSE-SME/ BSE MAIN BOARD),**

- (v) **CORPORATE IDENTIFICATION NUMBER: L51311PB2002PLC033422**

- (vi) **DEMAT ISIN No: INE380Z01015**

- (vii) **SHARE TRANSFERS AND OTHER COMMUNICATIONS SHOULD BE ADDRESSED TO:**

BIGSHARE SERVICES PVT. LTD.

Office No: S6-2, 6th Floor, Pinnacle Business Park, Next to Ahura Centre, Mahakali Caves Road, Andheri (East) Mumbai-400093
Tel.: 022-62638294, Fax: 022-62638299

- (viii) **INVESTORS' COMPLAINTS MAY BE ADDRESSED TO:**

Compliance Officer Active Clothing Co Limited
Correspondence and Corporate Office: Plot No. E-225, Phase-VIII B, Industrial Area, Focal Point, Mohali Email: csco@activesourcing.org

11. DEMATERIALIZATION OF EQUITY SHARES AND LIQUIDITY:

About 99.97% of the total equity share capital of the Company (20,725,261 Equity Shares) were held in dematerialized form. The Company has entered into agreements with National Securities Depositories Limited (NSDL) and Central Depository Services (India) Limited (CDSL) for dematerialization of shares through Link Intime India Private Limited, Registrar & Transfer Agent (RTA) of the Company. The Company's shares are liquid and actively traded on both the Stock Exchanges i.e. BSE.

The Company has not issued any debt instruments and does not have any fixed deposit programme or any scheme or proposal involving mobilization of funds in India or abroad during the financial year ended March 31, 2022.



12. RECONCILIATION OF SHARE CAPITAL AUDIT:

As stipulated by SEBI under Regulation 55A of the SEBI (Depositories and Participants) Regulations, 1996, a Company Secretary in whole time practice carries out Share Capital Audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. This audit is carried out every quarter and the report thereon is submitted to the Stock Exchanges where the Company's Shares are listed. The audit confirms that the total Listed and Paid-up capital is in agreement with the aggregate of the total number of shares in dematerialized form (held with NSDL and CDSL) and total number of shares in physical form.

13. Outstanding GDR/ADR/Warrants or any convertible instruments, conversion instruments, conversion date and impact on equity: NIL

14. CODE OF BUSINESS CONDUCT & ETHICS

The Company has adopted a Code of Business Conduct & Ethics for all employees and for members of the Board and Senior Management Personnel. The Company through its Code of Conduct provides guiding principles of conduct to promote ethical conduct of business, confirms to equitable treatment of all stakeholders, and to avoid practices like bribery, corruption and anti – competitive practices.

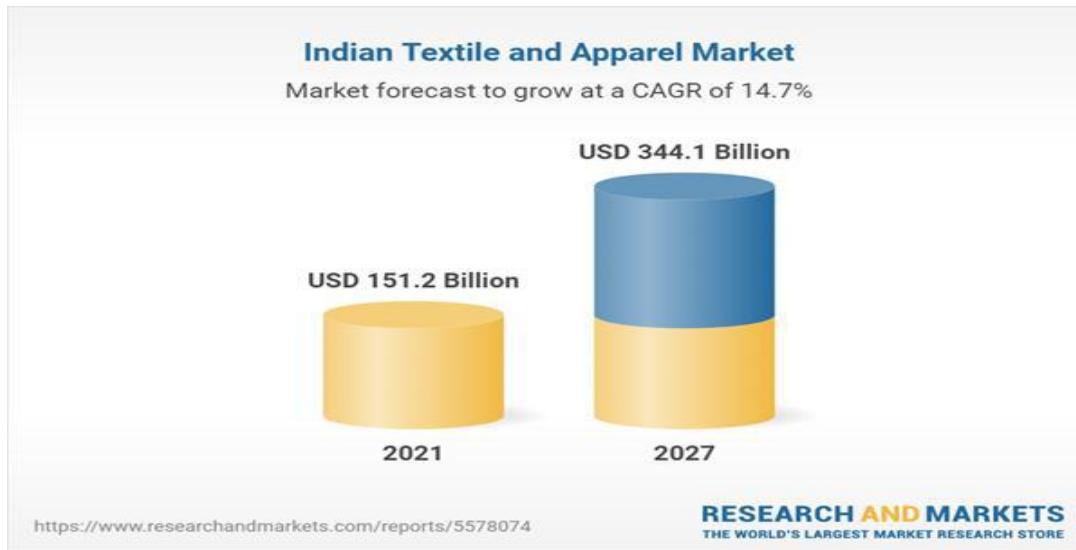
All members of the Board and Senior Management Personnel have affirmed compliance with the Code of Conduct for Board and Senior Management for the financial year 2021-22. The declaration to this effect signed by Chairman and Managing Director of the Company is annexed to this report as Annexure 'A.' The Code of Conduct for employees and the Board and Senior Management has clear policy and guidelines for avoiding and disclosing actual or potential conflict of interest with the Company, if any.

15. Details of non-compliance by the company, penalties, strictures imposed on the company by Stock Exchange, SEBI or any statutory authority, on any matter related to capital markets, during the last three years.

The Company has complied with all requirements specified under the Listing Regulations as well as other regulations and SEBI guidelines. Consequently, there were no strictures or penalties imposed either by SEBI or Stock Exchanges or any other statutory authority for non-compliance of any matter related to the capital markets during the last three financial year.

MANAGEMENT DISCUSSION ANALYSIS REPORT

The Indian textile and apparel market reached a value of US\$ 151.2 billion in 2021 and touch \$102 billion by 2022. Looking forward, the market is projected to reach US\$ 344.1 billion by 2027, exhibiting a CAGR of 14.8% during 2022-2027. India has emerged as one of the world's fastest-growing fashion markets over the past few years. It is projected to grow at 15 per cent CAGR till 2022 and become a \$102 billion market for apparel, as per a recent report



INDIA BECOMES CHINA-PLUS-ONE DESTINATION POST COVID -19

India has emerged as the second most sought after manufacturing destination across the world indicating the growing interest shown by manufacturers in India as a preferred manufacturing hub over other countries, including the U.S and those in the Asia-Pacific region, showed Cushman & Wakefield's 2021 Global Manufacturing Risk Index

In a statement, Singh said that it all depended on how good, efficient and integrated the Indian apparel industry is and how it increases its size and scale. "Let us not get into just the macro figure, let us get into the micro level. Let us go product by product and country by country. We should be in a position to breach \$20 billion apparel exports by next fiscal or the year. The demand continues to be robust and the China plus one sourcing strategy by the west is certainly a great opportunity for us." Production and exports from Vietnam have depleted due to social distancing measures in the country and a shortage of labor amid COVID-19

Soaring cost of essentials like bread and milk, queues for fuel as long as 2 K.M., spending the entire day collecting water with no electricity is now the Economy of Sri Lanka. LPG cylinders are unable and beyond means making difficult to cook a meal. Country man are becoming refugees with the economic coming to a grinding halt. Sri Lanka which had large scale composite apparel manufacturing units are on the verge of collapse enclosure with the order books of MNCs under no choice other than shift to India.

Pakistan has landed itself into macro-economic crisis: runaway inflation, current account and trade deficits, depleting foreign reserves, Pakistani rupee in a tail spin with Pakistan's debt and liabilities hitting at all time high of Rs. 51.724 trillion having risen at a staggering 20% further fueled by the political crisis has eroded the country's creditability with buyers making in roads to the fastest growing Indian Economy.

Bangladesh which has been supported since its independence in 1972 by World Bank faces a daunting challenge of recovery of Covid-19 Pandemic which has already create unrest in the economy increasing poverty rate to 18.1%. there is mass unemployment on account of weak readymade garment export being its lifeline caused by difficulty faced in transit to India being the most favored nation. Lockdowns, diseased intensity, weak governance in health care system, insufficient medical facilities, unawareness has let to



population facing fear, anxiety and crippling of its economic sphere. The present scenario have raised hopes of the sector growing to \$300 billion by 2025-26, a growth of 300 per cent in the next 2 years. There has been a remarkable turnaround in technical textiles.

ACTIVE' is blossoming into a leader in wearing apparels –glowing reflection on inroads it has made an evolution of introducing novel trends in a multi faceted designing , color, print, flashy, facetious life enhancing , a giant in sexiness antithesis to the grey sobriety . Active's strong commitment to quality and customer satisfaction has made it to be one of the most admired garment companies which follows and supports sustainable environmental friendly processes; practices high level of integrity and fairness in dealing and remains focused on developing Specialty and Technical products for safety and functional wear. Active is the only manufacturing Company providing an end to end solutions to national and international brands which starts from inception of a garment i.e. its designing followed by manufacturing, distribution and it's final retail all being managed together. To act responsibly with integrity, demonstrating strength of character and being customer oriented the success story has taken over. Caring, dedication, commitment , passion with demonstrate excellence has been its backbone.

ACTIVE is transcending all obstacles and is likely to be focal point for the fashion industry reflecting a rapidly growing middle class and an increasing powerful manufacturing sector. These forces together with strong economic fundamentals and growing tech savvy "active" is propelling itself to grow phenomenally both in Indian and international markets . New Developments, innovations, increased buyer presence, enhanced production capacity have become a boom post Corona with the industry in full up beat.

3 'D' GROWTH STRATEGY- DEVELOP, DIVERSIFY, DE RISK

	Typical Concerns	Mitigation Approach
PRODUCT	<ul style="list-style-type: none"> ◆ Single Product Supplier ◆ Product may go out of fashion 	<ul style="list-style-type: none"> ◆ Developed Multiple Products ◆ Product Range very diversified . Manufacturing capacities are blocked by Brands one year in advance.
CUSTOMER	<ul style="list-style-type: none"> ◆ Reliance on a Single Customer ◆ If the Customer goes out of business, the whole business collapses 	<ul style="list-style-type: none"> ◆ Big range of Customers both domestic and International . ◆ All Brands are focused on Apparels with worth in Billions of Dollars .
SUPPLIER	<ul style="list-style-type: none"> ◆ Over Reliance on a Single Supplier for Machinery ◆ This may lead to Increased Costs& Delay in shipment 	<ul style="list-style-type: none"> ◆ Sourcing of Machinery from different suppliers ◆ One Based in Japan and other in Germany ◆ Technical & Pricing Competition. ◆ Long Term Contracts for Uninterrupted and unhindered growth including deferred payment agreements.
GEOGRAPHY	<ul style="list-style-type: none"> ◆ Macroeconomic factors ◆ Geo Political Risk 	<ul style="list-style-type: none"> ◆ Contracts signed with buyers for long term supplies. ◆ Exports being done to mitigate the same.
WEATHER	<ul style="list-style-type: none"> ◆ Unpredictable Seasons ◆ Warm Winters can spoil the holiday season, sales, buying pattern 	<ul style="list-style-type: none"> ◆ Product Diversification for different seasons.. ◆ Machineries fully capable to manufacture / switch Over to different products.

SIGNIFICANT CHANGES IN KEY FINANCIAL RATIOS

As per SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, the Company is required to provide details of significant changes (change of 25% or more as compared to immediately previous year) in key financial ratios. Accordingly, the Company has identified the following ratios as key financial ratios:-

Ratio	Unit	FY 2021-22	FY2020-21	% Change
Debtors turnover	Times	2.94	2.45	+0.49
Inventory turnover	Times	1.85	1.18	+0.67
Interest Coverage Ratio	Times	1.74	1.56	+0.18
Current Ratio	Times	1.82	2.14	-0.32
TOL/TNW	Times	1.34	1.17	+0.17

The changes as above are favorable and have improved if compared with the previous year. Current Ratio has come down on account of repayments due for Long Term Debts. Your management is quite optimistic that the performance will further improve in the near term. ACTIVE is transcending all obstacles and is likely to be focal point for the fashion industry reflecting a rapidly growing middle class and an increasing powerful manufacturing sector. These forces together with strong economic fundamentals and growing tech savvy 'active' is propelling itself to grow phenomenally both in Indian and international markets. New Developments, innovations, increased buyer presence, enhanced production capacity have become a boom post Corona with the industry in full up beat.

By Order of the Board

Sd/-
(Rajesh Kumar Mehra)
Managing Director

Place: Mohali
Date: 30.08.2022



DECLARATION OF COMPLIANCE WITH CODE OF CONDUCT

In terms of the requirements of Regulation 34(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, along with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, this is to confirm that all the members of the Board and the Senior Management personnel have affirmed Compliance with the Code of Conduct for the year ended March 31, 2022.

For Active Clothing Co Limited

Place: Mohali
Date: 30.08.2022

Sd/-
(Rajesh Kumar Mehra)
Managing Director

**CERTIFICATION UNDER REGULATION 17(8) OF THE SEBI (LISTING OBLIGATIONS
AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015**

**To
The Board of Directors,
Active Clothing Co Limited**

- a) We have reviewed financial statements of **Active Clothing Co Limited** for the year ended 31st March, 2022 and to the best of our knowledge and belief:
- (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (ii) These statements together present a true and fair view of the Company's affairs and are in Compliance with existing accounting standards, applicable laws and regulations.
- b) To the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violate the Company's code of conduct.
- c) We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we was aware and the steps we have taken or proposes to take to rectify these deficiencies.
- d) We have indicated to the Auditors and the Audit Committee that there is:
- (i) No significant change in internal control over financial reporting during the year
 - (ii) No significant change in accounting policies during the year under review and
 - (iii) No instance of any fraud in the Company in which the management has any role.

**Sd/-
Rajesh Kumar Mehra
Managing Director**

**Sd/-
Mandeep Singh
Chief Financial Officer**

Place: Mohali
Date: 30.08.2022



CERTIFICATE ON CORPORATE GOVERNANCE

To,
The Members of
Active Clothing Co Limited.

We have examined all relevant records of for the purpose of certifying compliance Active Clothing Co limited of conditions of Corporate Governance as stipulated under para C of Schedule V read with Regulation 34(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the year ended on 31st March, 2022.

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

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

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

For Sethi Poonam & Associates

Sd/-
Poonam Sethi (Prop.)
CP No: 21751

Date: 30.08.2022



**JIWAN GOYAL & CO
CHARTERED ACCOUNTANTS**

**H. No. 43, Tagore Nagar, 1st Floor, Dr. Mela Ram Road
Near Improvement Trust Office, Bhatinda – 151 005
PHONE No. 98145 99305**

INDEPENDENT AUDITOR'S REPORT

To
The Members of
Active Clothing Co Limited

Report on the Financial Statements

We have audited the accompanying financial statements of **Active Clothing Co Limited** ("the Company") which comprise the Balance Sheet as at March 31, 2022, and the Statement of Profit and Loss, the cash flow statement and the statement of changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ('the Act') with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, the Cash Flows and change in Equity in company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

This responsibility also includes 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 frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent, and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of these financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management and Board of Directors are 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. Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibility

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



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

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.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, its profit, its Cash Flows and the change in Equity for the year ended on that date.

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 the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable..
2. As required by Section 143(3) of the Act, we report that:
 - A) a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.



- c) The Balance Sheet, the Statement of Profit and Loss & Cash Flows, statement of change in Equity dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting Standard) (Amendment) Rules, 2016.
 - e) On the basis of the written representations received from the Directors as on March 31, 2022 taken on record by the Board of Directors, none of the Directors is disqualified as on March 31, 2022 from being appointed as a Director in terms of Section 164 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-II”.
- B) 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, as amended by the companies(Audit and Auditors) Rules, 2017, 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 litigation on its financial position in its financial statements as of March 31, 2022;
 - ii) The Company has made provisions in its financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long term contracts;
 - iii) Company is not required to transfer any amount to the Investor Education and Protection Fund.
- C) With respect to the matter to be included in the Auditors’ Report under section 197(16):
In our opinion and according to the information and explanations given to us, the remuneration paid by the company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

For Jiwan Goyal & Co
Chartered Accountants
FRN 012874N

Sd/-
(Jiwan Goyal)
Partner
Membership No.: 091937

DATE: 28.05.2022
Place: Mohali



ACTIVE CLOTHING CO LIMITED
(CIN: L51311PB2002PLC033422)

Annexure I to the Auditors' Report

The Annexure referred to in our report to the members of ACTIVE CLOTHING Co Limited for the year ended on March 31, 2022

We report that:

1) In respect of its fixed assets:

- (a) the company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets;
- (b) As explained to us, the fixed assets have been physically verified by the management at reasonable intervals. According to the information and explanation given to us, no material discrepancies were noticed on such verification.
- (c) As explained to us, the title deeds of immovable properties are held in the name of the company.

2) In respect of its inventories:

As explain to us physical verification of inventory has been conducted at reasonable intervals by the management and no material discrepancies were noticed.

3) According to the information and explanation given to us, the company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnership or other parties covered in the register maintained under section 189 of the Companies act 2013.

- (a) Not Applicable
- (b) Not Applicable
- (c) Not Applicable

4) According to the information and explanation given to us, the Company has complied with the provisions of section 185 and 186 of the Companies Act, 2013, with respect to the loans and investments made.

5) According to the information and explanation given to us, the company has not accepted deposits covered under the directives issue by Reserve Bank of India and the provisions of section 73 to 76 or any other relevant provisions of Companies Act, 2013 and Rules framed there under.

6) The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Companies Act, 2013, for any of the services rendered by the company.

7) According to the information and explanation given to us, in respect of statutory dues:

- (a) Amount deducted /accrued in the books of account in respect of undisputed statutory dues including Provident Fund, Income tax , GST , duty of customs, cess and any other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities.
- (b) This clause is not applicable to the company since no dues on account of Income Tax, GST, Custom Duty, Cess are outstanding for payment and there is no dispute pending with any forum regarding the above dues.

8.) In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of loans or borrowing to a financial institution, bank, Government or dues to debenture holders.



- 9) In our opinion and according to the information and explanations given to us, term loans were applied for the purposes for which those are raised.
- 10) According to the information and explanations given to us, no material fraud on the company or by the company by its officers or employees has been noticed or reported during the course of our audit.
- 11) According to the information and explanation given to us, managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act.
- 12) This clause is not applicable to the company as the Company is not a Nidhi Company. Accordingly Paragraph 3(xii) of the order is not applicable.
- 13) To the best of our knowledge and according to the information and explanations given to us, all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc., as required by the applicable accounting standards.
- 14) According to the information and explanation given to us and based on our examination of the records of the company, the company has not made preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- 15) According to the information and explanation given to us, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, Paragraph 3(xv) of the Order is not applicable.
- 16) (a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.
(b) The company has not conducted any Non-Banking Financial or Housing Finance activities during the year.
(c) The company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India.
(d) As per the information and explanations received, the group does not have any CIC as part of the group.
- 17) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- 18) There has been no resignation of the statutory auditors of the Company during the year.
- 19) 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, the auditor's knowledge of the Board of Directors and management plans, we are of the opinion that no material uncertainty exists as on the date of the audit report that company is 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.
- 20) There is not liability of the company under the provisions of section 135 of the Companies Act, relating to Corporate Social Responsibility. Therefore, the provisions of Clause (xx) of paragraph 3 of the order are not applicable to the Company.



- 21) The company has not made investments in subsidiary company. Therefore, the company does not require to prepare consolidated financial statement. Therefore, the provisions of Clause (xxi) of paragraph 3 of the order are not applicable to the Company.

For Jiwan Goyal & Co
Chartered Accountants
FRN 012874N

sd/-
(Jiwan Goyal)
Partner
Membership No: 091937

DATE: 28.05.2022
Place: Mohali



Annexure - II to the Auditors' Report

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

We have audited the internal financial controls over financial reporting of Active Clothing Co Limited ("the Company") as of 31 March 2022 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, an adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at 31 March 2022, based on the internal financial controls with reference to financial statements 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 (the "Guidance Note").

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 Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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



Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2022, 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 Jiwan Goyal & Co
Chartered Accountants
FRN 012874N

Sd/-
(Jiwan Goyal)
Partner
Membership No: 091937

DATE: 28.05.2022
Place: Mohali



ACTIVE CLOTHING CO LIMITED
E-225, INDUSTRIAL AREA, PHASE-VIII-B, MOHALI

BALANCE SHEET AS AT 31.03.2022

(Rs.)			
Particulars	Notes No.	Figures as at 31.03.2022	Figures as at 31.03.2021
I. EQUITY AND LIABILITIES			
(1) Shareholder's Funds			
(a) Share Capital	1	155122150.00	155122150.00
(b) Reserves and surplus	2	465890657.08	460611374.88
(c) Money received against share warrants			
(2) Share application money pending allotment			
(3) Non-Current Liabilities			
(a) Long-term borrowings	3	209748247.57	258207251.48
(b) Deferred tax liabilities (Net)	4	0.00	18328.00
(c) Other Long term liabilities	5	3414944.00	2000000.00
(d) Long term provisions	6		
(4) Current Liabilities			
(a) Short-term borrowings	7	303166319.07	277691879.36
(b) Trade payables	8		
i) Total outstanding dues of Micro & Small Entp.			
ii) Total outstanding of creditors other than that of Micro & Small Enterprise		199054867.08	120618800.43
(c) Other current liabilities	9	119416046.21	63050281.77
(d) Short-term provisions	10		
TOTAL		1455813231.01	1337320065.92
II. ASSETS			
Non Current Assets			
(1) (a) Property ,Plant & Equipment & intangible Assets			
(i) Property , Plant & equipments	11	313727609.65	340734461.22
(ii) Intangible assets			
(iii) Capital work-in-progress			
(iv) Intangible Assets Under development			
(b) Non current investment	12		
(c) Deferred tax assets (net)		61356.00	
(d) Long term loans & advances	13		
(e) Other non -current assets	14	8947622.70	9087996.70
(2) Current Assets			
(a) Current investments	15		
(b) Inventories	16	620264354.80	619275454.00
(c) Trade receivables	17	390150427.18	297610551.86
(d) Cash and cash equivalents	18	42631739.55	44167129.76
(e) Short-term loans and advances	19	80030121.13	26444472.38
(f) Other current assets	20		
TOTAL		1455813231.01	1337320065.92
<p>Accompanying Notes 1 to 37 are integral part of these financial statements</p> <p>As per our report of even date For Jiwan Goyal & Co Chartered Accountants FRN 012874N</p> <p>sd/- (Jiwan Goyal) Partner Membership No.: 091937</p> <p>FOR AND ON BEHALF OF THE BOARD</p> <p>sd/- Rajesh Mehra Managing Director</p> <p>sd/- Renu Mehra Director</p> <p>sd/- Mandeep Singh Chief Financial Officer</p> <p>sd/- Avneet Bedi Company Secretary PLACE: MOHALI DATED: 28.05.2022</p>			



ACTIVE CLOTHING CO LIMITED
E-225, INDUSTRIAL AREA, PHASE-VIII-B, MOHALI
PROFIT & LOSS STATEMENT FOR THE PERIOD 01.04.2021 TO 31.03.2022

(Rs.)				
	Particulars	Notes No.	For the year ended 31.03.2022	For the year ended 31.03.2021
	INCOME			
I.	Revenue from operations	21	1150806134.44	731410242.91
II.	Other Income	22	3576294.07	3048255.81
III.	Total Income (I +II)		1154382428.51	734458498.72
IV.	Expenses:			
	Cost of materials consumed	23	359075645.18	171654344.49
	Purchases of Stock-in-Trade	24	440706415.22	306785023.94
	Changes in inventories of finished goods	25	10197440.00	6135020.00
	Changes in work in progress and stock in trade	26	13447540.00	(527934.00)
	Employee Benefits Expense	27	175361408.42	116549363.45
	Depreciation & amortization expense	28	33959500.89	37836871.77
	Finance costs	29	55557540.09	68797868.91
	Other expenses	30	58967541.51	26483535.99
	Total Expenses		1147273031.31	733714094.55
V.	Profit before exceptional and extraordinary items and tax (III-IV)		7109397.20	744404.17
VI.	Exceptional Items			
VII.	Profit before extraordinary items and tax (V - VI)		7109397.20	744404.17
VIII.	Extraordinary Items			
IX.	Profit before tax (VII - VIII)		7109397.20	744404.17
X.	Tax expense:			
	(1) Current tax expense		1909799.00	175217.00
	(2) Deferred tax		0.00	18328.00
XI.	Profit(Loss) for the period from continuing operations (VII-VIII)		5199598.20	550859.17
XII.	Profit/(Loss) from discontinuing operations			
XIII.	Tax expense of discontinuing operations			
XIV.	Profit/(Loss) from Discontinuing operations(after tax) (XII - XIII)		0.00	0.00
XV.	Profit/(Loss) for the period (XI + XIV)		5199598.20	550859.17
XV.	Earnings per equity share:			
	(1) Basic		0.34	0.04
	(2) Diluted		0.34	0.04

Accompanying Notes 1 to 37 are integral part of these financial statements

1 to 36

FOR AND ON BEHALF OF THE BOARD

sd/-

Rajesh Mehra

Managing Director

sd/-

Mandeep Singh
Chief Financial Officer

sd/-

Renu Mehra

Director

sd/-

Avneet Bedi

C. S

PLACE: MOHALI

DATED: 28.05.2022

As per our report of even date
For Jiwan Goyal & Co
Chartered Accountants
FRN 012874N

sd/-
(Jiwan Goyal)
Partner



ACTIVE CLOTHING CO LIMITED
E-225, INDUSTRIAL AREA, PHASE-VIII-B, MOHALI

STATEMENT OF CHANGES IN EQUITY
Period 01.04.2021- to 31.03.2022

Particulars	Current Year	Previous Year
AUTHORIZED 16000000 Equity Shares of Rs. 10/- each.	160000000.00	160000000.00
	160000000.00	160000000.00
ISSUED , SUBSCRIBED & PAID UP 15512215 Equity Shares of Rs. 10/- each, Fully paid up	155122150.00	155122150.00
	155122150.00	155122150.00
Equity Shares		
	As at 31st March, 2022	As at 31st March, 2021
At the beginning of the reporting period	15512215	15512215
Outstanding at the end of the reporting period	15512215	15512215
Rights, preferences and restrictions attached to equity shares		
The company has one class of equity shares having a face value of Rs. 10/- each which are issued and subscribed. Each holder of equity shares is entitled to one vote per share. No dividend has been declared.		
In the event of the winding up of the Company, the holders of equity shares will be entitled to receive the assets of the Company in proportion to the number of equity shares held by the shareholders and the amount paid up thereon.		

Reserves & Surplus

Particulars	Current Year	Previous Year
Securities Premium Account Balance as per the last financial Statements	254957150.00	254957150.00
Closing Balance	254957150.00	254957150.00
<div style="display: flex; justify-content: space-between;"> <div> <p>As per our report of even date</p> <p>As per our report of even date</p> <p>For Jiwan Goyal & Co</p> <p>Chartered Accountants</p> <p>FRN 012874N</p> <p>sd/-</p> <p>(Jiwan Goyal)</p> <p>Partner</p> <p>Membership No.: 091937</p> </div> <div> <p>FOR AND ON BEHALF OF THE BOARD</p> <p>sd/-</p> <p>Rajesh Mehra</p> <p>Managing Director</p> <p>sd/-</p> <p>Mandeep Singh</p> <p>Chief Financial Officer</p> </div> <div> <p>sd/-</p> <p>Renu Mehra</p> <p>Director</p> <p>sd/-</p> <p>Avneet Bedi</p> <p>Company Secretary</p> <p>PLACE: MOHALI</p> <p>DATED: 28.05.2022</p> </div> </div>		



ACTIVE CLOTHING CO LIMITED
E-225, INDUSTRIAL AREA, PHASE-VIII-B, MOHALI

Notes to Financial Statements for the period 01.04.2021 to 31.03.2022

Note No. 1 Share Capital

Sr. No.	Particulars	Current Year	Previous Year
a	AUTHORIZED Authorized share capital 16000000 Equity Shares of Rs. 10/- each with voting rights	160000000.00	160000000.00
		160000000.00	160000000.00
b	ISSUED, SUBSCRIBED & FULLY PAID UP 15512215 Equity Shares of Rs. 10/- each, with voting rights	155122150.00	155122150.00
		155122150.00	155122150.00
a	Reconciliation of the Number of shares outstanding at the beginning and at the end of the reporting period		
	Equity Shares	As at 31st March, 2022	As at 31st March, 2021
	Balance as at the beginning of the year	15512215	15512215
	Add : Shares issued	0	0
	Less : Shares Redeemed	0	0
	Less : Shares Cancelled	0	0
	Add / Less : Others	0	0
	Balance as at the end of the year	15512215	15512215
b	Details of equity shares held by shareholders holding more than 5% of the aggregate shares in the company		
	Name of Shareholders	No. of Shares	%
	Shri.Rajesh Mehra	5722715	36.89
	Smt.Renu Mehra	4617700	29.77
	Rajesh Mehra HUF	1067500	6.88
		Value/Share	Total Value as at March 31, 2022
	Shri.Rajesh Mehra	10	57227150
	Smt.Renu Mehra	10	46177000
	Rajesh Mehra HUF	10	10675000
	Name of Shareholders	No. of Shares	%
	Shri.Rajesh Mehra	5722715	36.89
	Smt.Renu Mehra	4617700	29.77
	Rajesh Mehra HUF	1067500	6.88
		Value/Share	Total Value as at March 31, 2021
	Shri.Rajesh Mehra	10	57227150
	Smt.Renu Mehra	10	46177000
	Rajesh Mehra HUF	10	10675000
c	Rights, preferences and restrictions attached to shares Equity shares: The Company has one class of equity shares having a par value of Rs 10 per share. Each shareholder is eligible for one vote per share held. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.		

d | Shareholding of Promoters (Equity)

Name of Promoters	No. of Shares	% of Total Shares	% Change during the year
Shri.Rajesh Mehra	5722715	36.89	Nil
Smt.Renu Mehra	4617700	29.77	Nil
Rajesh Mehra HUF	1067500	6.88	Nil

e | For the period of five years immediately preceding the date as at which the Balance Sheet

(In Rs.)

Particulars(Equity)	as at 31.03.2022	as at 31.03.2021	as at 31.03.2020	as at 31.03.2019	as at 31.03.2018
Aggregate number and class of shares allotted as fully paid-up pursuant to contract(s) without payment being received in cash.	Nil	Nil	Nil	Nil	Nil
Aggregate number and class of shares allotted as fully paid-up by way of bonus shares	Nil	Nil	Nil	Nil	112389000.00 Nos. 112389000
Aggregate number and class of shares bought back	Nil	Nil	Nil	Nil	Nil



Note No. 2 Reserves & Surplus

Sr. No.	Particulars	Current Year	Previous Year
a	Securities Premium Account		
	Balance as per the last financial Statements		
	Opening balance	254957150.00	254957150.00
	Add : Additions during the year	0.00	0.00
	Less : Utilisation during the year	0.00	0.00
	Closing balance	254957150.00	254957150.00
b	Surplus / (Deficit) In Statement of Profit and Loss		
	Opening balance	205654224.88	205069915.71
	Add: Profit for the year	7109397.20	744404.17
	Deferred Tax (Previous Year)	18328.00	33450.00
	Deferred Tax	61356.00	
	Less: Appropriations		
	Income Tax	1909799.00	175217.00
	Deferred Tax	0.00	18328.00
	Closing Balance	210933607.08	205654224.88
	Total	465890657.08	460611374.88

Notes to the Financial Statements for the year ended March 2022

Note No.3 Long Term Borrowings

Sr. No.	Particulars	Current Year	Previous Year
a	Term Loans		
	Secured		
	Term Loans:-		
	- From Banks		
	<u>HDFC Bank</u>		
	Car Xylo	51105.81	245098.54
	led		69505.38
	<u>Indian Overseas Bank</u>		
	gecl	112310416.67	114700000.00
	gecl 2	57400000.00	
	A/c No.1500001	68482724.00	106354724.00
	A/c No.1000001	52491818.00	30367218.00
	A/c No.1000003		7800459.58
		290736064.48	259537005.50
	Less: Current maturities of long term debts	89554101.81	42371507.92
	Secured Loans	201181962.67	217165497.58
b	Unsecured		
	Deferred payment liabilities	8566284.90	41041753.90
	Total	209748247.57	256207251.48

a Nature of Security

Vehicle Loans from HDFC Bank is secured against Xylo Car
Term Loans from Indian Overseas Bank
Prime security
i) First Exclusive charge on the entire plant & machinery and other fixed assets excluding vehicles.
ii) Equitable Mortgage of lease hold land and building situated at E-225, Industrial Area, Phase-VIII-B,
iii) Equitable Mortgage of land and building at Vill Badali, Aja Singh, Distt Fatehgarh Sahib.
Collateral Security
i) Equitable Mortgage of plot at Punjab Apparel Park, Ludhiana.

b Terms of repayment

	EMI	ROI
Term Loans		
<u>HDFC Bank</u>		
Car Xylo	Rs.17276/- p.m	8.42%
<u>Indian Overseas Bank</u>		
A/c No.1500001	Rs.5256000/- p.m 6 EMI	8.85%
	Rs.4353000/- p.m 9 emi	
A/c No.1000001	Rs.186000/- p.m 9 EMI	8.85%
	Rs. 500000/- p.m 12 EMI	
	Rs.1050000/- p.m 48EMI	
GECL	Rs.2389583/- p.m 47 EMI	7.85%
GECL2	Rs.1397264/- p.m 48EMI	7.85%
	from 30.10.2023	
Deferred payment		
2 equal instalments		



Loans Guaranteed by Directors

Sr. No.	Particulars	Current Year	Previous Year
a	Term Loans		
	Secured		
	Term Loans:-		
	- From Banks		
	<u>HDFC Bank</u>		
	Car Xylo	51105.81	245098.54
	led		69505.38
	<u>Indian Overseas Bank</u>		
	ged	112310416.67	114700000.00
	ged 2	57400000.00	
	A/c No.1500001	68482724.00	106354724.00
	A/c No.1000001	52491818.00	30367218.00
	A/c No.1000003		7800459.58
		290736054.48	259537005.50

Period and amount of continuing default as on the Balance Sheet date in repayment of loans and interest.

Particulars	As at 31 March, 2022 Rs.	As at 31 March, 2021 Rs.
	Nil	

Note No. 6 OTHER LONG TERM LIABILITIES	As at 31 March, 2022	As at 31 March, 2021
Others		
Securities from Customers	3414944.00	2000000.00
TOTAL	3414944.00	2000000.00



ACTIVE CLOTHING CO LIMITED
E-225, INDUSTRIAL AREA, PHASE-VIII-B, MOHALI

Notes to Financial Statements for the the period 01.04.2021 to 31.03.2022

Note No. 7 Short Term Borrowings

Sr. No	Particulars	Current Year	Previous Year
	Secured		
	Loans Repayable on demand		
	From Banks:-		
	Indian Overseas Bank	233308912.19	170189503.28
	HDFC Bank	34787801.81	107502376.08
	HDFC Bank	31441063.18	
	HDFC BANK	3628541.89	
	TOTAL	303166319.07	277691879.36

Nature of Security and Terms of repayment

IOB

- i) First Exclusive charge on the entire plant & machinery and other fixed assets excluding vehicles.
- ii) Equitable Mortgage of lease hold land and building at E-225, Industrial Area, Phase-VIII-B, Mohali.
- iii) Equitable Mortgage of land and building at Vill Badali Ala Singh, Distt. Fatehgarhsahib
- iv) Equitable Mortgage of plot at Punjab Apparel Park, Ludhiana.

V) Hypothecation of stocks and book debts and first exclusive charge on entire current assets

HDFC

Pari Passu charge on stocks and book debts and personal guarantee of directors

Terms of Repayment

Repayable on Demand

Loans Guaranteed by Directors

Sr. No	Particulars	Current Year	Previous Year
	Secured		
	Loans Repayable on demand		
	From Banks:-		
	Indian Overseas Bank	233308912.19	170189503.28
	HDFC Bank	34787801.81	107502376.08
	HDFC Bank	31441063.18	
	HDFC BANK	3628541.89	
	TOTAL	303166319.07	277691879.36

Period and amount of continuing default as on the Balance Sheet date in repayment of loans and interest.

Particulars	As at 31 March, Rs.	As at 31 March, 2021 Rs.
Nil		

Note No. 8 Trade Payables

Sr. No	Particulars	Current Year	Previous Year
	(A) Total outstanding dues of micro enterprises and small enterprises		
	(B) Total outstanding dues of creditors other than micro enterprises and small enterprises	199054867.08	120618800.43
	Total	199054867.08	120618800.43



(a) Disclosure as required by Micro, Small and Medium Enterprises Development Act, 2006

Sr. No	Particulars	Current Year	Previous Year
(A)(i)	Principal amount remaining unpaid		
(A)(ii)	Interest amount remaining unpaid		
B	Interest paid by the Company in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day		
C	Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding interest specified under the Micro, Small and Medium Enterprises Act, 2006		
D	Interest accrued and remaining unpaid		
E	Interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises		
	Total	0.00	0.00

Ageing for trade payables from the due date of payment for each of the category as at 31st March, 2022

S.no.	Particulars	Not Due	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years
(i)	Undisputed dues - MSME					
(ii)	Undisputed dues - Others		199054867.08			
(iii)	Disputed dues - MSME					
(iv)	Disputed dues - Others					
	Total		199054867.08			

Ageing for trade payables from the due date of payment for each of the category as at 31st March, 2022

S.no.	Particulars	Not Due	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years
(i)	Undisputed dues - MSME					
(ii)	Undisputed dues - Others		120618800.43			
(iii)	Disputed dues - MSME					
(iv)	Disputed dues - Others					
	Total		120618800.43			

S.no.	Particulars	Not Due	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years
	Unbilled Dues	Nil	Nil	Nil	Nil	Nil
	Total					

Notes to Financial Statements for the the period 01.04.2021 to 31.03.2022

Note No. 9 Other Current Liabilities

Sr. No	Particulars	Current Year	Previous Year
	Current maturities of long term debt	89554101.81	42371507.92
	Advances Received from Customers	3839215.45	6522109.14
	Other Payables		
a	Statutory remittances	1525977.45	1576032.46
b	Expenses	7962045.50	1996250.25
c	Due to Employees	16534706.00	10582382.00
	Total	119416046.21	63050281.77



ACTIVE CLOTHING CO LIMITED
E-225, INDUSTRIAL AREA, PHASE-VIII-B, MOHALI

Note No. 11

PROPERTY PLANT AND EQUIPMENT

Particulars	Land-Freehold	Land-Leasehold	Building	Plant & Equipments	Furniture & Fixture	Vehicles	Office Equipments	Total
Balance as at 31.03.2021	39019683.00	6189565.00	222638150.29	418282479.12	3435459.86	29809864.72	25856493.45	745231695.44
Additions	0.00	0.00	3100.00	3169260.61	2541278.54	0.00	1239010.17	6952649.32
Deductions	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Balance as at 31.03.2022	39019683.00	6189565.00	222641250.29	421451739.73	5976738.40	29809864.72	27095503.62	752184344.76
Accumulated Depreciation								
Balance as at 31.03.2021	0.00	0.00	83179501.78	270193845.42	2329644.44	25414518.79	23379723.79	404497234.22
Charge for the Year	0.00	0.00	9097848.00	22534989.00	339440.00	1111703.00	875520.89	33959500.89
Disposals/Changes for the Year	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Balance as at 31.03.2022	0.00	0.00	92277349.78	292728834.42	2669084.44	26526221.79	24255244.68	438456735.11
Carrying Amounts (Net)								
Net Block as on 31.03.2021	39019683.00	6189565.00	139458648.51	148088633.70	1105815.42	4395345.93	2476769.66	340734461.22
Net Block as on 31.03.2022	39019683.00	6189565.00	130363900.51	128722905.31	3307653.96	3283642.93	2840258.94	313727609.65



ACTIVE CLOTHING CO LIMITED
E-225, INDUSTRIAL AREA, PHASE-VIII-B, MOHALI

Notes to Financial Statements for the the period 01.04.2021 to 31.03.2022

Note No. 12 Non Current Investment

Sr. No	Particulars	Current Year	Previous Year
	Total	0.00	0.00

Note No. 13 Long Term Loans and Advances

Sr. No	Particulars	Current Year	Previous Year
	Total	0.00	0.00

Note No. 14 Other Non Current Assets
(Unsecured considered Good)

Sr. No	Particulars	Current Year	Previous Year
	Security Deposits	2599519.00	1194750.00
	Others:-		
	- Fixed Deposits with Banks with maturity after 12 months		
	With Indian Overseas Bank		
	- Sale Tax	50000.00	50000.00
	44604111401523		122760.00
	44604111401764		433537.00
	44604111401791	5261517.00	4980250.00
	44604111200122		341740.00
	4460400003466		443774.00
	4460400003199		199682.00
	4460400003584		299334.00
	4460400003705		38633.00
	4460400003917	877552.00	831689.00
	With HDFC Bank		
	50300144908097	159034.70	151847.70
	Total	8947622.70	9087996.70



ACTIVE CLOTHING CO LIMITED
E-225, INDUSTRIAL AREA, PHASE-VIII-B, MOHALI

Notes to Financial Statements for the the period 01.04.2021 to 31.03.2022

Note No. 16 Inventories

Sr. No	Particulars	Current Year	Previous Year
	In Stock		
a	Raw Materials	167886990.80	143253110.00
b	Work-in-Progress	214623561.00	193518470.00
c	Finished Goods	87235430.00	97432870.00
d	Stock-in-Trade (in respect of goods acquired for trading)	135645833.00	178996443.00
e	Stores & Spares/Consumables	14872540.00	6074561.00
	Total	620264354.80	619275454.00

Note No. 17 Trade Receivables

Sr. No	Particulars	Current Year	Previous Year
	Unsecured, Considered Good		
	- Less than six months	320740731.01	203348573.02
	- More than six months	69409696.17	94261978.84
	Total	390150427.18	297610551.86

Unbilled Dues, if any

Sr. No	Particulars	Current Year	Previous Year
	Secured, Considered Good		
	Unsecured, Considered Good		
	Doubtful		
	Total	0.00	0.00

Debts due by Directors

Sr. No	Particulars	Current Year	Previous Year
	Directors & Officers		
	Firms in which director is a partner		
	Companies in which Director is a director or member		
	Total	0.00	0.00

Trade Receivables Aging Schedule

S.no.	Particulars	Outstanding for following periods from due date of payment				
		Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years
a	Undisputed Trade Receivables					
	- Considered Good	320740731.01	69409696.17			
	- Considered Doubtful					
b	Disputed Trade Receivables					
	- Considered Good					
	- Considered Doubtful					
	Total	320740731.01	69409696.17			

Note No. 18 Cash & Cash Equivalents

Sr. No	Particulars	Current Year	Previous Year
a	Balances with Banks		
	- In current Accounts		
	-HDFC Bank		
	-20001949		323245.38
	With IOB		
	R/D Account	35473582.00	34469985.00
	RECURRING DEPOSIT (044604000008913)	5343808.00	5049824.00
	RECURRING DEPOSIT (44604000003786)		63792.00
b	Cheque in hand		16329.00



c	Cash in hand		
	H. O.	924579.61	1330317.59
	Retail Outlets	142949.00	81206.00
d	Imprest		
	- Badali alla Singh -Staff	29521.00	15058.00
	- Dist	77971.79	26816.79
	- Retail Outlets	2770.00	
	Credit cards	48519.15	
e	- Deposits with less than 12 month maturity		
	44604111100087		488741.00
	44604111100653		669302.00
	44604111101431		86662.00
	4000007178		552822.00
	4000007334		432243.00
	4000006676	588039.00	559786.00
	TOTAL	42631739.55	44167129.76

Of the above :

Sr. No	Particulars	Current Year	Previous Year
	Earmarked Balances		
	- Unpaid Dividend		
	- Others to be specified		
	Balances with banks held as Margin Money or Security against borrowings, guarantees or other commitments (Specify)		
	Repatriation restrictions on cash and bank balances (Specify)		
	Bank Deposits with more than 12 months maturity (Specify)		
	Total		

Notes to Financial Statements for the the period 01.04.2021 to 31.03.2022

Note No. 19 Short Term Loans and Advances

(Unsecured considered good, unless otherwise stated)

Sr. No	Particulars	Current Year	Previous Year
	Balance With Revenue Authorities	14336599.51	9143866.26
	Prepaid Expenses	2796797.25	1755906.12
	Staff Advance	3506150.00	3280985.00
	Travel Advance	37554.10	18405.00
	Advance to Suppliers	59353020.27	12245310
	Total	80030121.13	26444472.38

Note No. 20 Other Current Assets

(Unsecured considered good, unless otherwise stated)

Sr. No	Particulars	Current Year	Previous Year
	Total		



ACTIVE CLOTHING CO LIMITED
E-225, INDUSTRIAL AREA, PHASE-VIII-B, MOHALI

Notes to Financial Statements for the the period 01.04.2021 to 31.03.2022

Note No. 21 Revenue from Operations

Sr. No	Particulars	Current Year	Previous Year
a	Sale of Products	1232329568.08	786508323.66
	Other Operating Revenues		
	- Duty Drawback	2828600.36	954715.00
	Less		
	GST	84352034.00	56052795.75
	Total	1150806134.44	731410242.91

Note No. 22 Other Income

Sr. No	Particulars	Current Year	Previous Year
a	Interest Income	2193562.00	2685099.05
b	Exchange Fluctuation	1382732.07	363156.76
	Total	3576294.07	3048255.81

Note No. 23 Cost of Materials Consumed

Sr. No	Particulars	Current Year	Previous Year
a	Raw Material Consumed		
	Opening Stock	143253110.00	163023560.00
	Add		
	Purchases	340060407.02	130633495.21
	Less		
	Closing Stock	167886990.80	143253110.00
	Sub-total (a)	315426526.22	150403945.21
b	Direct /Production Expenses		
	Job Work	20721336.22	2671060.2
	Compliance	1567661.31	1662593.22
	Power & Fuel	17641533.13	15294634.22
	Garment Performance Testing	3718588.30	1622111.64
	Sub-total (b)	43649118.96	21250399.28
	Total (a) + (b)	359075645.18	171654344.49



ACTIVE CLOTHING CO LIMITED
E-225, INDUSTRIAL AREA, PHASE-VIII-B, MOHALI

Notes to Financial Statements for the the period 01.04.2021 to 31.03.2022

Note No. 24 Purchases of Stock in Trade

Sr. No	Particulars	Current Year	Previous Year
	Purchases of Stock-in-Trade	440706415.22	306785023.94
	Total	440706415.22	306785023.94

Note No. 25 Change in Inventories of Finished Goods, Work-in-progress and stock in trade

Sr. No	Particulars	Current Year	Previous Year
a	Opening Stock		
i)	Finished Goods	97432870.00	103567890.00
ii)	WIP (Work in Progress)	193518470.00	207568210.00
iii)	Stock in Trade	178996443.00	165432460.00
iv)	Stores & Spares/Consumables	6074561.00	5060870.00
b	Closing Stock		
i)	Finished Goods	87235430.00	97432870.00
ii)	WIP (Work in Progress)	214623561.00	193518470.00
iii)	Stock in Trade	135645833.00	178996443.00
iv)	Stores & Spares/Consumables	14872540.00	6074561.00
	Total	23644980.00	5607086.00

Note No. 26 Employee Benefits Expense

Sr. No	Particulars	Current Year	Previous Year
a	Contribution to Labour Funds	4158894.00	3077516.00
b	Salaries & Wages	169167607.99	110427071.36
c	Staff Welfare Expenses	2034906.43	944776.09
d	Director Salary		2100000.00
	Total	175361408.42	116549363.45

Note No. 27 Finance Costs

Sr. No	Particulars	Current Year	Previous Year
a	Interest Expense	52806269.69	67530350.27
b	Bank Charges	2751270.40	1267518.64
	Total	55557540.09	68797868.91

Note No. 28 Depreciation & Amortization Expense

Sr. No	Particulars	Current Year	Previous Year
	Depreciation	33959500.89	37836871.77
	Total	33959500.89	37836871.77



Total	33959500.89	37836871.77
-------	-------------	-------------

Note No. 29 Finance Costs

Sr. No	Particulars	Current Year	Previous Year
a	Interest Expense	52806269.69	67530350.27
b	Bank Charges	2751270.40	1267518.64
Total		55557540.09	68797868.91

ACTIVE CLOTHING CO LIMITED
E-225, INDUSTRIAL AREA, PHASE-VIII-B, MOHALI

Notes to Financial Statements for the the period 01.04.2021 to 31.03.2022

Note No. 30 Other Expenses

Sr. No	Particulars	Current Year	Previous Year
a	Alteration Charges	6440.00	320.00
b	Advertisement	160690.00	3200.00
c	AMC	586053.15	691826.85
d	Booking Expenses	173754.26	356549.51
e	Commission	12721.18	305054.89
f	Custodian & Depostory charges	90000.00	45000.00
g	Retail Outlet Expense	47695.00	119577.89
h	Fees & Taxes	1321584.02	288880.82
i	Freight & Cartages	8707937.73	5479152.09
j	Festival expenses	344031.00	6100.00
k	Insurance Expenses	1456897.02	1381367.12
l	Listing fees	25000.00	70000.00
m	Director Sitting Fee	120000.00	120000.00
n	Payment to Auditors		
	- Audit Fee/Exp	40000.00	40000.00
o	Printing & Stationery	460957.27	251259.45
p	Professional Charges	23700155.02	6747481.61
q	Postage & Telegram	1843148.82	945307.71
r	Rent	800168.00	263873.68
s	Renovation exp	62270.00	
t	Royalty	600000.00	600000.00
u	Repair & Maintenance		
	- Building	228123.13	136362.93
	- Computer	109018.51	33633.59
	- Electricity	1272775.74	317558.01
	- Generator	65860.42	393630.49
	- Machinery	8112537.32	2902526.47
	- General	690747.48	264175.01
	- Fire fighting	210424.23	
	- Vehicle	3528366.51	1773810.54
v	Security Charges	1454846.00	1327660.00
w	Telephone Expenses	282079.33	289797.31
x	Tour & Travelling Exp	2376356.37	1230452.02
y	Water Exp	8349.00	4800.00
z	Web Charges	68555.00	94178.00
Total		58967541.51	26483535.99



ACTIVE CLOTHING CO LIMITED E-225, INDUSTRIAL AREA, PHASE-VIII-B, MOHALI CASH FLOW STATEMENT FOR THE YEAR ENDED 31.03.2022			(Rs.)
	Figures as at the end of current reporting period	Figures as at the end of previous reporting period	
A CASH FLOW FROM OPERATING ACTIVITIES			
Net Profit before extraordinary items and tax	7109397.20	744404.17	
Adjustments for :			
Depreciation and amortisation	33959500.89	37836871.77	
Interest Expense	52806269.69	67530350.27	
Interest Income	(2193562.00)	(2685099.05)	
	84572208.58	102682122.99	
Changes in Working Capital	91681605.78	103426527.16	
Adjustment for :			
(Increase)/Decrease in Trade and other receivables	(92539875.32)	160975201.63	
(Increase)/Decrease in Inventories	(988900.80)	25377536.00	
Increase/(Decrease) in Trade Payables and other liabilities	134801831.09	(131575292.24)	
	132954660.75	158203972.55	
Cash generated from Operations			
Net income tax paid	1909799.00	175217.00	
Net cash flow from / (used in) operating activities	131044861.75	158028755.55	
B CASH FLOW FROM INVESTING ACTIVITIES			
Purchase of Fixed Assets	(6952649.32)	(4369980.26)	
Proceeds from Tfr/sale of Fixed Assets	0.00	0.00	
Other non current assets	1545143.00	(553757.05)	
Other Long Term Loans and Advances	(1404769.00)	973308.33	
Other Short Term Loans and Advances	(53585648.75)	(6032950.50)	
Interest Received			
- Others	2193562.00	2685099.05	
Net Cash used in investing activities	(58204362.07)	(7298280.43)	
C CASH FLOW FROM FINANCING ACTIVITIES			
Proceeds from issue of Share Capital (including Securities Premium)	0.00	0.00	
Proceeds from Long Term Borrowings (Net)	(48459003.91)	72896066.85	
Proceeds/Repayment from from Short Term Borrowings	25474439.71	(152754757.16)	
- Other Long Term Liability	1414944.00	0.00	
Interest Paid	(52806269.69)	(67530350.27)	
Net Cash flow from /used in Financing Activities	(74375889.89)	(147389040.58)	
Net Increase in cash and cash equivalents	(1535390.21)	3341434.54	
Cash and cash equivalents at the beginning of the year	44167129.76	40825695.22	
Cash and cash equivalents at the end of the year	42631739.55	44167129.76	
See accompanying notes forming part of the Financial Statements			
FOR AND ON BEHALF OF THE BOARD			
As per our report of even date			
For Jiwan Goyal & Co	sd/-		sd/-
Chartered Accountants	Rajesh Mehra	Renu Mehra	
FRN 012874N	Managing Director	Director	
	sd/-		sd/-
(Jiwan Goyal)	Amit Jaswal	Avneet Bedi	
Partner	Chief Financial Officer	Company Secretary	
Membership No.: 091937	PLACE: MOHALI		
	DATED: 28.05.2022		



ACTIVE CLOTHING CO LIMITED
E-225, PHASE-VIII-B, INDUSTRIAL AREA, MOHALI

Notes to financial Statements for the year ended 31st March, 2022

Background and nature of Operations

Active Clothing Co Limited (The Company) is a Public Limited Company with Registered Office At-E-225, Phase-VIII-B, Mohali, Incorporated under the provisions of Companies Act, 1956 on 27.02.2002. The Company is engaged in Manufacture of Apparels in India and primarily caters to the Indian Market along with some Export. Shares of the Company are listed on BSE-SME Exchange.

30. SIGNIFICANT ACCOUNTING POLICIES

A) BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial results of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015, as amended.

For all periods up to and including the year ended 31 March 2022, the Company prepared its financial results in accordance accounting standards notified under the section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP).

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Revised Schedule III to the Companies Act, 2013. Based on the nature of services and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as twelve months for the purpose of current/ non-current classification of its assets and liabilities.

B) USE OF JUDGEMENT AND ESTIMATES

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

B (I) Amendments to Schedule III of the Companies Act, 2013

Ministry of Corporate Affairs (MCA) issued notifications dated 24th March, 2021 to amend Schedule III of the Companies Act, 2013 to enhance the disclosures required to be made by the Company in its financial statements. These amendments are applicable to the Company for the financial year starting 1st April, 2021 and applied to the standalone financial statements as required by Schedule III.

C) REVENUE RECOGNITION

Revenue is recognized to the extent that it is probable that, the economic benefits will flow to the Company and the revenue can be reliably estimated and collectability is reasonably assured.

Revenue from sale of goods is recognised when control of the products being sold is transferred to our customer and when there are no longer any unfulfilled obligations. The Performance Obligations in our contracts are fulfilled at the time of dispatch, delivery or upon formal customer acceptance depending on customer terms.

Revenue is measured on the basis of sale price, after deduction of any trade discounts, volume rebates and any taxes or duties collected on behalf of the Government such as goods and services tax, etc. Accumulated experience is used to estimate the provision for such discounts and rebates. Revenue is only recognised to the extent that it is highly probable a significant reversal will not occur.



D) EMPLOYEES' BENEFIT

Short term employee benefits

All employee benefits payable/available within twelve months of rendering the service are classified as short term employee benefits. Benefits such as salaries, wages, bonus, etc. are recognized in the statement of profit and loss in the period in which the employee renders the related service.

Post-employment benefits

Defined contribution plan Provident fund

The company makes specified contribution towards employee provident fund to Employees Provident Fund administered by the Regional Provident Commissioner. The Company's contribution to provident fund, being a defined contribution plan, is recognized in the statement of profit and loss in the financial year to which it relates

Defined benefit Gratuity Plan

The company has not provided for in the books of accounts as required by IAS-19 issued by the Institute of Chartered Accountants of India.

E) PROPERTY, PLANTS AND EQUIPMENTS

Property, plant and equipment is stated at acquisition cost net of accumulated depreciation and accumulated impairment losses, if any. Cost of acquisition or construction of property, plant and equipment comprises its purchase price including import duties and non-refundable purchase taxes after deducting trade discounts, rebate and any directly attributable cost of bringing the item to its working condition for its intended use. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance cost are charged to the standalone statement of profit and loss during the period in which they are incurred. Gains or losses that arise on disposal or retirement of an asset are measured as the difference between net disposal proceeds and the carrying value of property, plant and equipment and are recognized in the statement of profit and loss when the same is derecognized.

F) DEPRECIATION AND AMORTISATION

Pursuant to the notification of Schedule II of the Companies Act, 2013, by the Ministry of Corporate Affairs effective 01 April 2014, the management has reassessed and changed, wherever necessary the useful lives to compute depreciation, to conform to the requirements of the Companies Act, 2013. Depreciation on fixed assets for year ended 31 March 2022 is provided on written down value method as per the rates prescribed under Schedule II of the Companies Act, 2013.

Block of asset	Useful life as per Companies Act, 2013 (in years)
Buildings	30
Plant and machinery	15
Furniture and fixture	10
Office equipment	5
Computers	3
Vehicles	8-10

G) BORROWING COST

Borrowing costs that are directly attributable to the acquisition, construction or production of qualifying assets are capitalized till the date on which each assets is put to use as part of the cost of that asset. Other borrowing costs are recognised as an expense in the period in which they are incurred.



H) FOREIGN EXCHANGE TRANSACTIONS

Foreign currency transactions are recorded at the exchange rates prevailing at the date of transaction. Exchange differences arising on settlement of transactions are recognized as income or expense in the year in which they arise.

I) PROVISION AND CONTINGENT LIABILITIES :

A provision is recognized when the Company has a present obligation as a result of past event i.e., it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

A contingent liability exists when there is a possible but not probable obligation, or a present obligation that may, but probably will not, require an outflow of resources, or a present obligation whose amount cannot be estimated reliably. Contingent liabilities do not warrant provisions, but are disclosed unless the possibility of outflow of resources is remote. Contingent assets are neither recognised nor disclosed in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognised in the period in which the change occurs.

J) INVENTORIES

Raw Material , Work in Progress, Store & Spares, Finished Goods are valued at lower of cost or market value (net releasable value). Costs includes direct material and labor costs and proportion of manufacturing overheads.

K) GOVERNMENT GRANTS AND SUBSIDIES:

- a) Government grants and subsidies are recognized as and when the same are received.
- b) Capital Government Grants or Subsidies relating to specific fixed assets are deducted from the gross value of the respective fixed assets and other capital grants are credited to Capital Reserve.
- c) Other Government Grants or Subsidies relating to an expense item are deducted from related expenses.

L) ACCOUNTING FOR TAXES ON INCOME

Provision for taxation has been duly made under the Income Tax Act, 1961. Deferred tax is recognized for all timing differences. Deferred tax assets are carried forward to the extent it is reasonably / virtually certain that future taxable profit will be available against which such deferred tax assets can be realized. Deferred tax assets are reviewed at each balance sheet date and written down/written up to reflect the amount that is reasonably/virtually certain (as the case may be) to be realized. Deferred tax assets and liabilities are measured at the tax rates that have been enacted or substantively enacted at the balance sheet date.

Minimum Alternative Tax ('MAT') under the provisions of the Income-tax Act, 1961 is recognised as current tax in the Statement of Profit and Loss. The credit available under the Act in respect of MAT paid 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 period for which the MAT credit can be carried forward for set-off against the normal tax liability. MAT credit recognised as an asset is reviewed at each balance sheet date and written down to the extent the aforesaid convincing evidence no longer exists.



31. CONTINGENT LIABILITIES:

31.03.2022 31.03.2021

(i) Letter of Credits outstanding		
(ii) Bank Guarantees and letters of Credit outstanding		
(iii) Unhedged Foreign Currency Exposure	2.71	4.82
(iv) Other monies for which the company is Contingently liable.	NIL	NIL

32. IMPAIRMENT OF ASSETS:

In accordance with the Accounting Standard (Ind AS)-36 on “Impairment of Assets” the Company has assessed as on the balance sheet date, whether there are any indications (Listed in paragraphs 8 to 10 of the Standard) with regard to the impairment of any of the assets. Based on such assessment it has been ascertained that no potential loss is present and therefore, formal estimate of recoverable amount has not been made. Accordingly no impairment loss has been provided in the books of account.

33. EARNING PER SHARE

The calculation of Earning Per Share (EPS) as disclosed in the statement of profit and loss has been made in accordance with Accounting Standard (Ind AS)-33 on “Earning Per Share” issued by Companies (Accounting Standard) Rules, 2006.

A statement on calculation of basic EPS is as under:

PARTICULARS	CURRENT YEAR	PREVIOUS YEAR
Net Profit after tax attributable to equity Shareholders (A)	5199598.20	550859.17
Weighted average number of equity shares (B)	15512215	15512215
Basic earning per Share (Rs.) (A)/(B)	0.34	0.04
Diluted earning per share (Rs.)	0.34	0.04

34. RELATED PARTY DISCLOSURE

(a) Disclosure of Related Parties and relationship between the parties.

1. Subsidiaries NIL
2. Associates NIL
3. Key Management Personnel

PARTICULARS	Director Salary
Sh.Rajesh Mehra	1200000.00
Smt.Renu Mehra	1200000.00

Relative of Key Management Personnel

PARTICULARS	Nature	Amount
Rajesh Mehra HUF	Royalty	600000.00
Kalika Mehra	Professional fee	1800000.00

35. The Information required by paragraph 5 of general instructions for preparation of the statement of profit and loss as per revised Schedule –III of the Companies Act, 2013.



(a) CIF VALUE OF IMPORTS

PARTICULARS	CURRENT YEAR	PREVIOUS YEAR
Purchases	4978500.59	2470337.70
TOTAL	4978500.59	2470337.70

(b) EXPENDITURE IN FOREIGN CURRENCY

PARTICULARS	CURRENT YEAR	PREVIOUS YEAR
Foreign Travelling	498500.59	2470337.70
TOTAL	4978500.59	2470337.70

(c) EARNING IN FOREIGN CURRENCY

PARTICULARS	CURRENT YEAR	PREVIOUS YEAR
FOB value of Export	143830514.93	42269372.34

(d) VALUE OF RAW MATERIALS CONSUMED

PARTICULARS	CURRENT YEAR	PREVIOUS YEAR
Material consumed	82427040.40	484046454.43

36. Previous year figures have been regrouped/reclassified wherever necessary to correspond with the current year classification/disclosure.

FOR AND ON BEHALF OF THE BOARD

For Jiwan Goyal & Co
Chartered Accountants
FRN 012874N

Sd/-
(DIRECTOR)

Sd/-
(DIRECTOR)

Sd/-
(Jiwan Goyal)
Partner
Membership No. 091937

Sd/-
(CFO)

Sd/-
(C.S.)

Dated : 28.05.2022
Place; Mohali



IMPORTANT & URGENT FOR YOUR IMMEDIATE ACTION

Dear Shareholder(s),

Sub.: Mandatory update of PAN and Bank details against your share holding

SEBI vide circular dated April 20, 2018 directed to the Bank through their RTA to collect copy of PAN and Bank Account details of all shareholders holding securities in physical form. Further, the Company / RTA of the Company has to follow the procedure mentioned in the said circular. In compliance of the said circular of SEBI, shareholders, who have not furnished PAN and Bank Account particulars till date, are requested to furnish PAN and Bank Account particulars to the RTA/Company for registration, as per the format enclosed.

You are hence requested to submit the following documents within 21 days of receipt of this communication:

- Enclosed form duly filled in and signed by all the shareholders.
- Self-attested copy of Pan Card of all the holders.
- Cancelled personalised cheque leaf

(In absence of personalised cheque, self-attested copy of first page of pass book)

- Address proof (self-attested copy of Aadhaar-card)

In case if you have any queries or need any assistance in this regard, please contact;

Bigshare Services Pvt. Ltd.

Office No: S6-2, 6th Floor, Pinnacle Business Park, Next to Ahura Centre,
Mahakali Caves Road, Andheri (East)
Mumbai-400093

Tel.: 022-62638294, Fax: 022-62638299

Tel: + 91-22-6263 8200

Email id: investor@bigshareonline.com



FORM FOR FURNISHING PAN AND BANK DETAILS

To,
Bigshare Services Pvt. Ltd.
Office No: S6-2, 6th Floor, Pinnacle Business Park,
Next to Ahura Centre, Mahakali Caves Road,
Andheri (East)
Mumbai-400093

Folio No. _____

Dear Sir/Madam,

Unit: Active Clothing Co Limited

I/we hereby furnish our PAN and Bank mandate details for update in your records. I/we are enclosing herewith:

- Self-attested copies of PAN cards of all the holders,
- Original personalized cancelled cheque leaf/First page of attested bank pass book and
- Address proof viz., Aadhaar card as required for updation of the details:

Folio No.

Mobile No.

E-Mail id

Bank Account Details: (for electronic credit of dividends)

Name of the Bank

Name of the Branch

Account Number
(as appearing in your cheque book)

Account Type (Please tick as applicable)	Saving	Current	Cash Credit
9 Digit MICR Number (as appearing on the MICR cheque issued by the bank) Please enclose a photocopy of a cheque for verification			
11 Digit IFSC Code			



	Name	PAN	Signature
First Holder			
Joint Holder1			
Joint Holder2			

Date:

Place:

NB: The above details will not be updated if the supporting documents are not attached and not duly signed by all the shareholders



IMPORTANT & URGENT FOR YOUR IMMEDIATE ACTION

Dear Shareholder(s),

In terms of Regulation 40 of the SEBI (LODR) Regulations, 2015 as amended vide Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements)(Fourth Amendment) Regulations, 2018 (Gazette Notification dated June 8, 2018 of SEBI), it is notified that except in case of transmission or transposition of securities, requests for effecting transfer of securities shall not be processed w.e.f. from December 05, 2018, unless the securities are held in dematerialised form with a depository.

In view of the SEBI's circular dated June 08, 2018, all Members of the Company, who are holding shares of the Company in physical form, are requested to take note of the impact of the aforesaid amendment in Regulation 40 on transfer of shares held in physical form w.e.f. December 5, 2018 and get their shares dematerialized at the earliest.

Process for Dematerialization of shares in Physical form is as under:

A shareholder can get his shares dematerialized by submitting a Dematerialization Request Form (DRF) to its Depository Participant (DP). ADP is usually an intermediary between a shareholder and the Depository i.e. NSDL & CDSL.

After submission of DRF, a demat request is raised by DP with a unique DRN (Demat Request Number) and the physical share certificates are sent for verification to the concerned authorities (RTA).

Upon verification from RTA, the DP team will convert all the physical share certificates into electronic form. It takes approximately 21 days for the DP team to convert physical shares into demat Form or electronic form.

In case of death of a shareholder before converting shares into demat mode, legal heirs will have to transmit the shares in their name and then get the dematerialization done in their respective names.

In case of loss of physical shares, the shareholder will have to get the duplicate share certificates issued in his name from the Company. After receiving the duplicate share certificates, the shareholder can get his shares dematerialized by filling the DRF.

Request you to please dematerialize your physical shares.

Thanking you,

Yours faithfully,
For Active Clothing Co Limited

Sd/-
Avneet Kaur Bedi
Company Secretary & Compliance Officer