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**Wise men put  
their trust in  
ideas and not in  
circumstances.**

- Ralph Waldo Emerson

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**CREATIVE**

NEW TECH

A great business idea

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## Key Drivers Of the Company

### Board Of Directors and Key Managerial Persons

**Mr Ketan Patel**

Chairman & Managing  
Director

**Mrs Purvi Patel**

Whole- time Director  
(Woman Director)

**Mr Vijay Advani**

Whole- time Director

**Mr Mihir Shah**

Independent Director

**Mr Suresh Bhagavatula**

Independent Director

**Mr Kurian Chandy**

Independent Director

**Ms Prachi Jain**

Independent Director

**Mr Abhijit Kanvinde**

Chief Financial  
Officer

**Mr Tejas Doshi**

Chief Compliance Officer &  
Company Secretary

### Audit Committee

**Mr Kurian Chandy**

Chairman

**Mr Suresh Bhagavatula**

Member

**Mr Mihir Shah**

Member

**Ms Prachi Jain**

Member

**Mr Tejas Doshi**

Secretary

### Nomination Remuneration Committee

**Mr Mihir Shah**

Independent Director

**Mr Kurian Chandy**

Chairman

**Mr Suresh Bhagavatula**

Member

**Ms Prachi Jain**

Member

**Mr Tejas Doshi**

Secretary

### Internal Complaint Committee (Under Sexual Harassment Policy)

**Mrs Madhura Juwlekar**

Chairperson

**Mr Ketan Patel**

Member

**Mrs Purvi Patel**

Member

**Mr Tejas Doshi**

Secretary

### Risk Management Committee

**Mr Ketan Patel**

Chairman

**Mrs Purvi Patel**

Member

**Mr Kurian Chandy**

Member

**Mr Abhijit Kanvinde**

Member

**Mr Tejas Doshi**

Secretary

## Corporate Social Responsibility Committee

**Mr Ketan Patel**  
Chairman

**Mr Mihir Shah**  
Member

**Mrs Purvi Patel**  
Member

**Mr Abhijit Kanvinde**  
Member

**Mr Tejas Doshi**  
Secretary

## Stakeholders Relationship Committee

**Mr Kurian Chandy**  
Chairman

**Mr Suresh Bhagavatula**  
Member

**Mr Mihir Shah**  
Member

**Ms Prachi Jain**  
Member

**Mr Tejas Doshi**  
Secretary

## Statutory Auditor

**M/s Gupta Raj & Co.**

Chartered Accountants

**Add:** 2C, Mayur Apt, Dadabhai Cross Road  
3, Vile Parle (West) Mumbai - 56

**Firm Registration No.:** 001687N

**Membership No.:** 112353

## Internal Auditor

**M/s Somaiya & Co.**

Chartered Accountants

**Add:** 205, 2nd Floor, Quantum Towers,  
Chincholi, Malad (West), Mumbai - 64

**Firm Registration No.:** 121945W

**Membership No.:** 110870

## Secretarial Auditor

**M/s Satyajit Mishra & Co.**

Practicing Company Secretaries

**Add:** 404, Kamlacharan, Jawahar Nagar  
Phatak, Goregaon (West), Mumbai - 62

**Certificate of Practice No.:** 4997

**Membership No.:** 5759

## Registrar and Transfer Agent

**Bigshare Services Private Limited**

**Add:** Office no. - S6-2, 6th floor, Pinnacle  
Business Park, Mahakali Caves Road,  
Andheri (East), Mumbai - 93

**SEBI Registration No.:** INR000001385

**Email ID:** investor@bigshareonline.com

**Website:** www.bigshareonline.com

## Investor Relations

**AdFactors PR**

**Add:** City hall, Oasis complex, Kamla Mills  
Compound, Lower Parel west, Mumbai - 13

**Email Id:** savli.mangle@adfactorspr.com

**Website:** www.adfactorspr.com

## Our Bankers





**Mr Ketan Patel**

Chairman & Managing Director

## Dear Shareholders,

I am delighted to address you as we embark on a new financial year filled with promise. Despite the macroeconomic volatility and geopolitical tensions that characterized the past fiscal year, I want to emphasize that resilience is at the core of Creative's identity. Our performance over the past year speaks volumes about our ability to adapt and thrive. The ongoing surge in digital technologies continues to drive demand across various product lines. To remain at the forefront of evolving consumer and market preferences, we uphold a light and adaptable business model, while strategically curating our extensive portfolio.

The company has continued on its growth trajectory and found new opportunities, In the financial year ended 31st March 2023, we reported a 47.95% year-on-year growth in total income at

Rs. 1,402.25 cr, while EBITDA and PAT stood at Rs. 45.12 cr and Rs. 27.25 cr, a year-on-year growth of 38.31% and 41.56%, respectively. With our extensive network, value-added business model, and niche product portfolio, we were able to effectively navigate our growth journey.

Creative Newtech is the largest retail and e-commerce market entry specialist company representing top global brands across four categories that are, Fast Moving Social Media Gadgets (FMSG) consists of products that appeal to the younger market. Social media usage and penetration drives brands under this category. This is one of the segments with the highest margins and fastest growth. On the other hand, Fast Moving Consumer Technology (FMCT) comprises well-known consumer brands that meet both individual and corporate demand, including Samsung, iBall, and ViewSonic.

Our Enterprise Business (EB) covers products that are traded in huge volumes to enterprises, from brands like AOC, Philips, Invue and other Opportunity businesses. Lastly, Fast Moving Electronic Goods (FMEG) covers household appliances from companies like BPL and Polycab. We are focusing on expanding at a faster rate with better margin products and short working capital cycles. We have significant advantage to reach a large market due to our presence across multiple channels.

Business synergies from Honeywell are also increasing rapidly and we envisage this business to grow. During the year, our agreement with Honeywell expanded to cover a total of 38 countries across the APAC, GCC and African regions. This year we have been laying foundation areas of getting product certifications compliances and most importantly as we spread our wings to Middle East and APAC region wherein resources have been appointed at Dubai and Singapore to cater to these regions. One of the key highlights of this year was the successful launch of several new products, which received overwhelming positive feedback from our customers. These innovative offerings not only cater to the evolving needs of our target audience but also showcase our dedication to staying ahead of the curve. In addition to product innovation, we have also made significant strides in expanding our global presence. Allowing us to reach a wider customer base and increase our brand visibility. Our brand's agility and determination will serve as our compass as we navigate through these changes. Looking ahead, we remain focused on expanding our market presence, enhancing our product offerings, and delivering exceptional value to our shareholders. We are confident that with our strong brand reputation and talented team, we are well-positioned to capitalize on future opportunities and overcome any challenges that may arise.

We hope to attract the interest of several other major international brands that see the advantages of brand licensing.

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**Business is an idea, not  
an opportunity;**

**and business with  
Creative is a great idea**

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Top (Left to Right) - Mr. Upendra Singh, Mr. Amol Patil, Mr. Abhijit Kanvinde, Mr. Tejas Doshi, Mr. Mitesh Shah  
Bottom (Left to Right) - Mr. Vijay Advani, Mr. Ketan Patel, Mrs. Purvi Patel

Lastly, our online digital B2B e-commerce platform, Ckart, is helping us expand our business with minimal additional costs, serving both current and potential clients. The platform has helped us expand our partner base and transaction volumes. As more and more players turn to the internet as a means of doing business, e-commerce is thriving. Ckart will continue to be our one-stop solution for customers and improving the working capital cycle and profitability.

We see the demand for niche products to be on the rise, driven by social media and millennial population boosting avenues for content creation and sharing. Simultaneously, the growth in brand licensing presents new avenues for us to capitalize on brand equity and extend our market reach. By leveraging these opportunities, we can diversify our offerings, enter new markets, and benefit from consumer trust and loyalty.

We, at Creative, have a vibrant team of both young and experienced employees, and an agile model which enables us to adapt well in advance to changing trends, making us well positioned to seize new opportunities in India and overseas.

I want to express my gratitude to the entire Creative family and to all of the stakeholders whose support enables us to scale new heights.

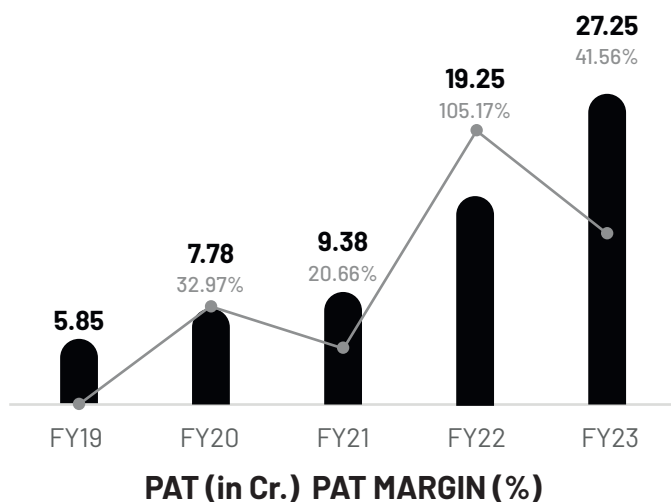
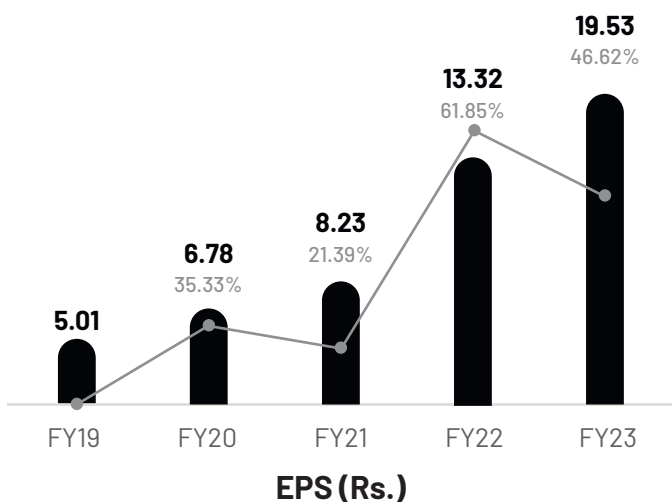
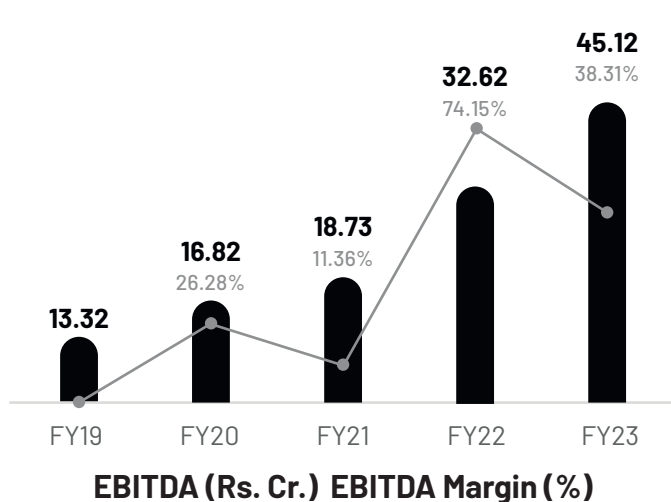
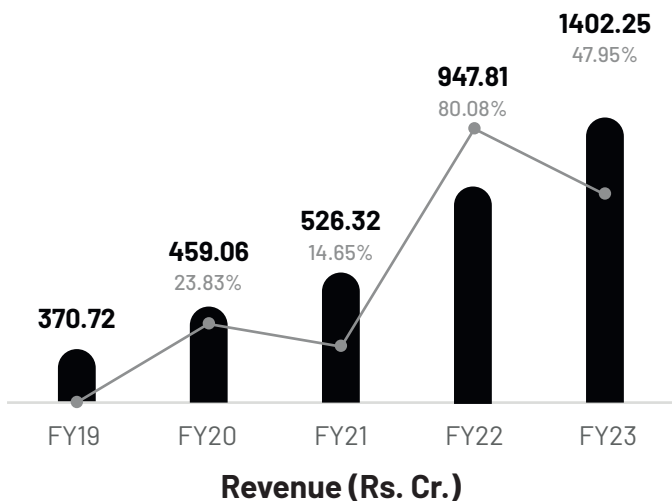
**Warm Regards,**

**Ketal Patel**

**(Chairman and Managing Director)**

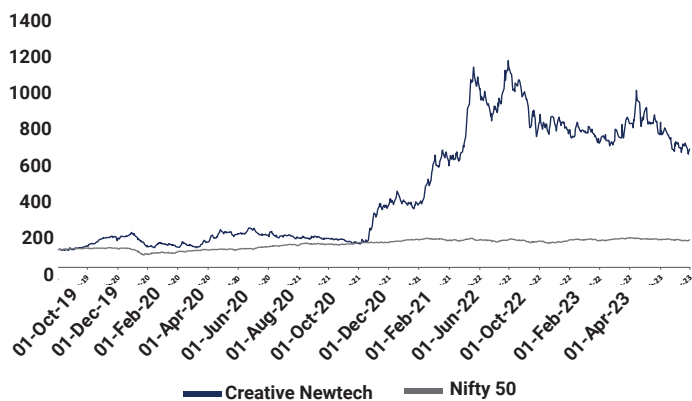
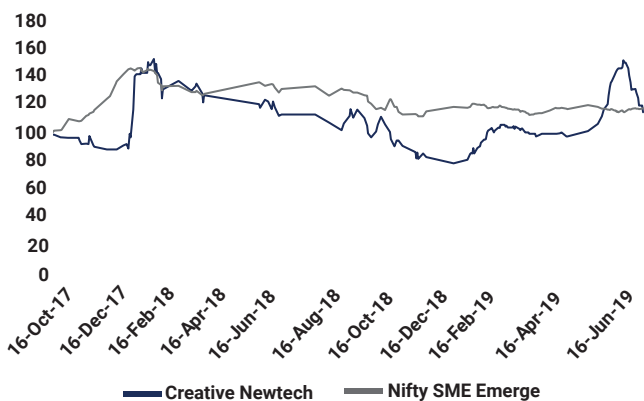


# Annual Consolidated Financial Highlights FY23



## Five-Year Share Price Chart

The Company was listed on the NSE SME exchange on 12th April 2017, and subsequently migrated to the NSE Main Board on 5th August 2019. Therefore, the two comparative share price charts depict stock performance against NSE SME Emerge index from 2017-19, and against NSE Nifty 50 Index from 2019-23.



\*Closing share prices of Creative Newtech and respective Indices adjusted to the base of 100

Creative Newtech Ltd. vis-à-vis Nifty SME Emerge (2017-2019)

Creative Newtech Ltd. vis-à-vis Nifty 50 (2019-2023)

## Key Milestones of the year



**Cricut** – Signed a Distribution agreement with Cricut Inc. from the US to distribute their Innovative Products in India. Cricut engages in the design and marketing of a creativity platform that enables users to turn ideas into professional-looking handmade goods. We are also managing the D2C website and Amazon Brand page of cricut to extend our support to make it available for its consumers.



**Lexar** – Expanded business operations and added other Lexar memory products to our existing product portfolio.



**Razer** – Signed a distribution agreement with Razer Inc. from the US. Razer is the world's largest integrated gamer ecosystem and a pioneer in the industry that offers the widest range of premium gaming products. With this newly forged partnership with Razer, Creative will distribute all Razer products.



### **Honeywell Expansion –**

- Appointed Chris Sim as the Regional Director – Southeast Asia to cater and expand business in Southeast Asian countries. She is currently stationed in Singapore. Chris is a seasoned veteran of the industry with over 20 years' experience and has worked with some of the world's biggest organisations including Samsung, TPV, Powermatic, AMC to name a few.
- Appointed Habilash Hamza as the Regional Sales Manager – Middle East Asia to cater and expand business in GCC. He is currently stationed in our Dubai office. Habilash has worked in the MEA region for over 17 years and has worked with leading organisations such as Anker, Jumbo Electronics, Acer and Assr Aljawal to name a few.



Participated in the **Gates Consumer Tech Summit**, Thailand (15th-17th March, 23) to expand Honeywell's business in the SEA region. Mr. Mohit Anand addressed the audience with his keynote speech at the event.



Currently we have 300+ SKUs in Honeywell and successfully tested another 100+ SKUs which are in production with factories and will be launched in FY24.



The **Creative Connect** program continues our legacy of meeting with channel partners and demonstrating our product range in different cities. We chose Tier-2 cities this year where we went to 8 cities and had more than 1000 sellers/dealers participated in the roadshow across these cities.



Directorate of International Customs, New Delhi has certified Creative Newtech Limited as **AEO -T2 status holder** in Sept'22.



Office of the Commissionerate of Customs, Mumbai has permitted our mother warehouse in Mumbai for storage of imported goods under **Private Bonded Warehouse** under Section 58 of the Customs Act 1962.



Successfully renewed and retained our **ISO 9001:2015** certified status.

## Brand Licensing Milestones

1. Currently Selling 200,000 units of Honeywell branded product per annum. In 6 years have achieved over 3.6 Million units of Honeywell product sold to end-consumers.
2. Returns over lifetime of product are at 0.42% of installed base.
3. Multiple products are best sellers on Amazon across geographies and product categories.
4. Currently selling across all leading Ecommerce Platforms – Amazon, Shopee, Lazada, Noon, Jumia, Tik Tok & Flipkart
5. 21 active distributors across 17 countries
6. Global leaders trust our product. Some leading companies that use our products



**Mr. Mohit Anand**  
Director

Honeywell (Secure  
Connection Private  
Limited)

Mohit is currently responsible for leading Secure Connection Ltd. globally. He brings rich and varied experiences of 30 years to this leadership role with many leading multinational companies. Recognized as a key young business leader Mohit was conferred the prestigious award of “CEO of the Year” at the Indian Affairs Business Leadership Awards 2012 hosted by Indian Affairs. Acknowledged amongst the Top 50 young business leaders by Business India magazine (January 2007) he has also featured on Young Turks (CNBC) as one of the young business leaders of India. Mohit is regarded as a subject matter expert and is amongst the leading icons of the Indian technology, retail sector and interactive entertainment industry. In his role as CEO, he is responsible for all facets of the business including, Sales, Marketing, Finance & Operations. He is currently building and scaling out Secure Connection including the Honeywell trademark licensing business in over 38 international markets.

Mohit has had a trail blazing career thus far with phenomenally successful stints with the world’s leading multinationals including Microsoft, Star TV, Belkin to name a few. His last assignment was Managing Director – India & South Korea for Da Vinci Media GmbH., He led the company into a successful Joint Venture with Quintillion Media Pvt. Ltd. (The Quint). Mohit has to his credit the launch of Microsoft’s flagship gaming platform Xbox 360 in India. He has deep insights into the emerging retail trends widely respected for his understanding of the technology, retail and interactive entertainment industry.

The Honeywell Trademark is used under license from Honeywell International Inc. Honeywell International Inc. makes no representation or warranties with respect to these products. These products are manufactured by Secure Connection Limited, Hong Kong. All trade names are registered trademarks of respective manufacturers listed. ©2022 Secure Connection Ltd., Hong Kong. All rights reserved.

## Company at a glance

**25+**  
Brands

**3200+**  
Products

**1992**  
Started Journey

**₹536.76 Cr**  
Market Cap as on  
31<sup>st</sup> March 2023

**8000+**  
Happy Channel  
Partners

### **Diversified Products Portfolio**

1. Licensee of Honeywell Inc.
2. 25+ Brands under said segments (FMMSG+ FMCT+FMEG+EB)
3. 8000+ Trusted partners

### **Total 25+ regions in India**

### **Over 300 skilled workforce across India**

## Key Business Attributes

Identifying niche and experiential brands  
Adopting and Investing in new age technologies  
Providing smart connectivity solutions  
Establishing lon term partnerships with vendors and partners  
Focusing on customers needs and requirements

## Team Creative

### Executive Directors



**Mr Ketan Patel**  
Chairman & Managing  
Director



**Mrs Purvi Patel**  
Whole- time  
Director



**Mr. Vijay Advani**  
Whole- time  
Director

### Non-Executive Independent Directors



**Mr Kurian Chandy**  
Independent Director



**Mr Suresh Bhagavatula**  
Independent Director



**Mr Mihir Shah**  
Independent Director



**Ms Prachi Jain**  
Independent Director

### Key Managerial Personnel



**Mr. Abhijit Kanvinde**  
Chief Financial Officer



**Mr. Tejas Doshi**  
Chief Compliance Officer &  
Company Secretary

### Department Heads



**Mr. Amol Patil**  
Vice President - Products



**Mr. Upendra Singh**  
Vice President - Sales



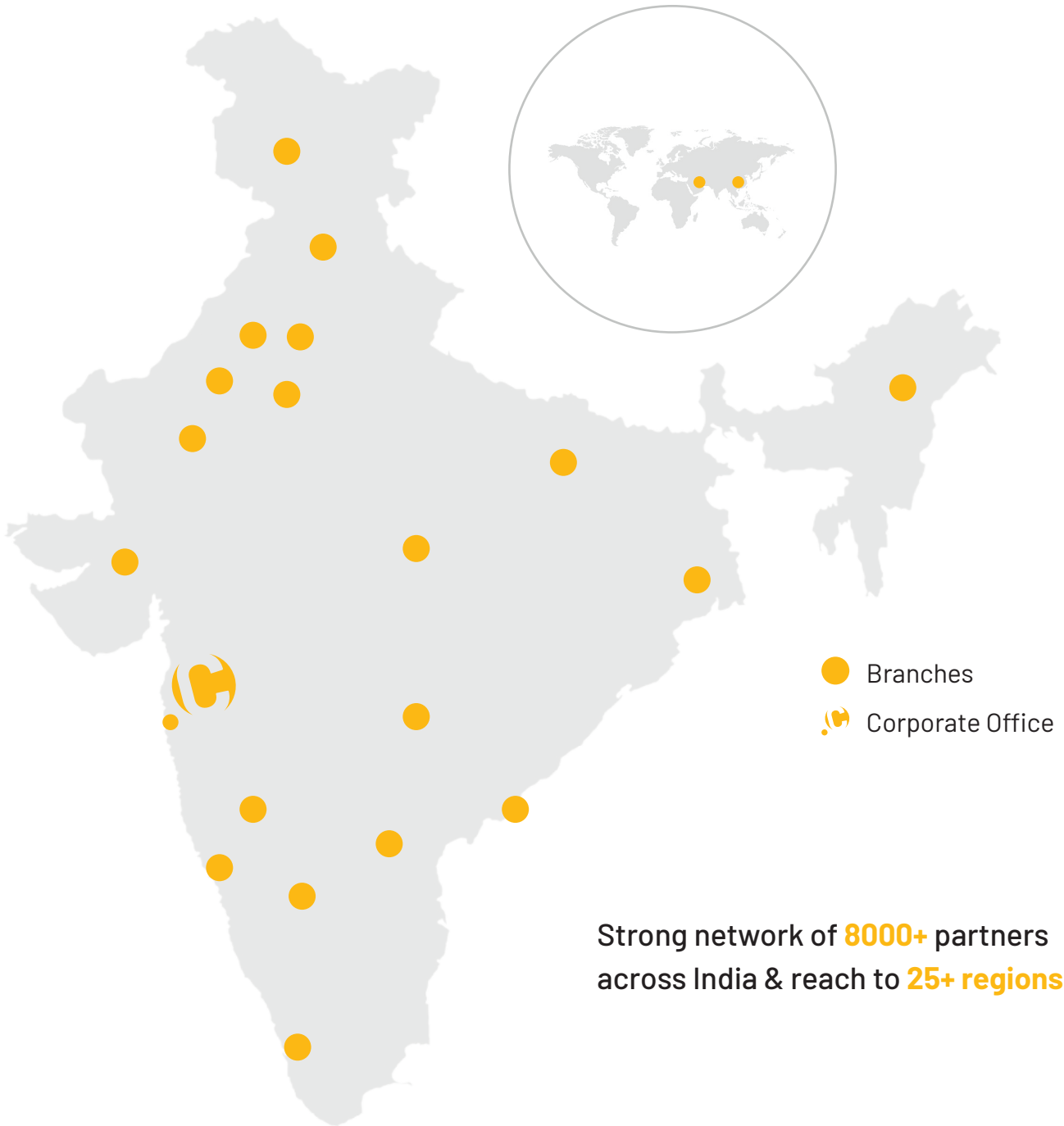
**Mr. Mitesh Shah**  
Vice President - Finance



**Mr. Dhiraj Vaity**  
Senior Manager - Logistics



## Geographical Presence



### Our Network

Mumbai  
 Bangalore  
 Chennai  
 Delhi  
 Kolkata

Ahmedabad  
 Hyderabad  
 Gurugram  
 Indore  
 Jaipur

Ludhiana  
 Lucknow  
 Surat  
 Kochi  
 Chandigarh

Patna  
 Nagpur  
 Dehradun  
 Jammu  
 Bhubhaneshwar

Guwahati  
 Nashik  
 Raipur  
 Varanasi  
 Pune

### Domestic

- Pan India presence
- Over 300 strong highly skilled workforce across India - mix of young and experienced talent

### International

- Subsidiary in Hong Kong
- Strong distribution tie-up in Middle East
- Expanding network across SAARC countries



## Our Vision

To be at the forefront of bringing new, niche and relevant technologies from across the world, to the masses and to be the go-to contract manufacturing partner wherein global niche brands aspire to be exclusively associated with us and take advantage of our wide presence.



## Our Values

Embrace and drive changes  
Being humble  
Do the right thing  
Being creative & open minded  
Build open & honest relationships with communication  
Responsible and Goal oriented



## Our Mission

### For Brands

We assure our world-class brand partners that as an established Modern Retail and E-commerce Market-Entry Specialist in India, Middle East and other markets, we will leverage our experience, expertise and knowledge of local markets to enable best customer experience and business outcomes for their products and services thereby enhancing their topline.

### For Partners

We assure our partners that we will use our goodwill, expertise and influence to introduce world-class brands across categories into their portfolios. The Company will also support the partners in leveraging their market positioning and enhancing their bottom line.

**Committed to remain at the forefront of dynamically changing technological environment**



## Our Partners

### FMSG Fast Moving Social-Media Gadgets



### FMCT Fast Moving Consumer Technology



### FMEG Fast Moving Electronic Goods



### EB Enterprise Business



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All trade names are registered trademarks of respective manufacturers listed. ©2022 Secure Connection Ltd., Hong Kong. All rights reserved.

## Brand Ethos

- Own the idea of business
- Execution of business is a great idea
- Every brand added to the Creative's portfolio is a great idea
- Every dealer, distributor signed with Creative is a great idea
- Every employee joining at Creative is a great idea
- Every goal achieved by Creative is a great idea
- Every customer feedback is a great idea
- Every innovation embraced by creative is a great idea
- Association with Creative is a great idea

## Brand Partners

"In the last four years that we have been associated with Creative Newtech, we have come across many facets that make them an ideal IT distribution company in India. Their excellent channel penetration, strong channel connect, sorted MIS-driven logistics and a seasoned professional management team differentiates them from the rest. Moreover, the management team understands the rapidly changing consumer behaviour and are eager to drive in the necessary changes. For e.g. Re-branding, that helped them appeal to a younger and dynamic audience. There are many such examples that have helped drive the business for Cooler Master in India. This partnership has worked wonders for us and we have been registering steady double digit growth quarter after quarter."



**Mr. Sanket Naik,**  
**SA Manager**  
**Cooler Master**

"We onboarded Creative Newtech as a distributor to grow our business in India. Cricut is a category creator and market leader in smart cutting machines. We were looking for a value-added distributor who can understand our products, our target audience and closely align with the brand's strategies. Creative Newtech has been a great partner in helping us identify and enter relevant channels and their execution has been great. I look forward to building Cricut's business in India along with Creative Newtech"



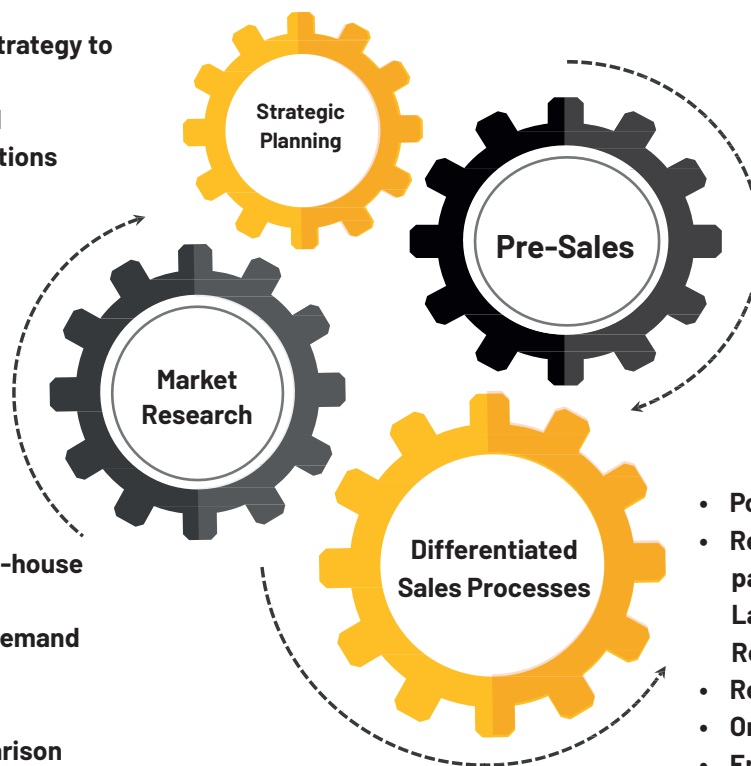
**Mr. Nikshep Shetty,**  
**Head of Asia**  
**Cricut**

## Integrated Business Model

Creative Newtech operates in four broad product categories: **FMSG; FMCT; EB; FMEG**

1. **Fast Moving Social-Media Gadgets (FMSG)** – These comprise of new and niche products that appeal to the younger demographic and have a fast turn-around. The brands are driven by social media penetration and wide adoption. This is one of our fastest growing and higher-margin segment.
2. **Fast Moving Consumer Technology (FMCT)** – This segment includes established and fast-moving consumer products that cater to personal as well as organizational demands, such as Samsung, iBall and Viewsonic.
3. **Enterprise Business (EB)** – This comprises products which are supplied to enterprises and are high-volume. Some brands in this category include AOC and Invue.
4. **Fast Moving Electronic Goods (FMEG)** – This segment covers our alliance with Reliance, through which we offer home appliances, bulbs and lights from brands such as BPL and Polycab.

- Identification of ideal distribution channel
- Identify and acquire required skill sets / man power
- Regional planning and strategy to market brand
- Resource allocation and strengthening of operations



- Executing marketing strategy
- Creating brand awareness
- Training and events
- Customer Engagement
- Digital Cataloguing

- On-field research and in-house usage and checking
- Location-wise market demand analysis
- Price waterfall analysis
- Detailed product comparison
- Competition Analysis

- Point-of-sales (POS) activity
- Relationships with channel partners : E- Commerce, Large Format and Specialized Retailers
- Reseller workshop & demos
- Online-to-Offline channel
- Emerging D2C Partner

## 360 degree value creation for better customer experience

Creative Newtech Limited focuses on strong, long-term partnerships with niche brands, where the Company can add value and help the brand grow in the market. This is possible because we invest deep involvement with the brands' ethos and hand-hold new brands to identify with the local audiences. This is one of the key factors differentiating us from other companies in this industry.

Over time, we believe that customer experience is becoming the key brand differentiator versus price and product features. With competitive pricing and similar products becoming the norm, brands would be differentiated based on the community, service and experience they can offer customers. To be able to do this, a brand would typically need the following aspects to provide a wholistic customer experience.

- Brand Strategy
- Information Network
- Omni-Channel Marketing
- Access to Partnerships
- Scale and Skills
- Customer Intimacy
- Contract Manufacturing

This is where Creative comes into the picture and shines. We offer this wholesome suite of services to enable brands to enter and conquer new markets, especially in India, creating unique value.

- We help a brand execute its marketing strategy on the ground with skilled personnel.
- We engage in events and partnership programs, such as Harley Davidson, SOHO house, Redbull etc. rallies for Hyperice.
- Creative has a suitable skill set and a young workforce with the ability and agility to scale per a brand's requirement.
- The Company has access to all marketing channels, from retailers and wholesalers to general traders and online channels.
- We have long-standing relationships with our customers and a deep understanding of what our customers need to be able to place the brands/products correctly.
- Creative has the experience and resources to undertake contract manufacturing for brands if so required, for example, for Honeywell.

Our business model comprises market research, strategic planning, pre-sales activities and differentiated sales processes. Ckart further adds value to our channel partners, making business easier for them.

These strengths differentiate us from traditional companies in this sector and represent the culture and vibe of our Company.

### Marketing Synopsis FY 2022-23



## Smart sourcing capabilities

Creative Newtech Limited boasts a network of 18 warehouses along with active warehouses in Mainland China and Dubai

### Key Achievements

In September '22, Creative Newtech Limited received AEO-T2 status certification from the Directorate of International Customs, New Delhi. The AEO program, aligned with the World Customs Organization (WCO) SAFE Framework of Standards, enhances global trade security and efficiency. It encompasses various players in the international supply chain, certifying entities as compliant with security standards and granting AEO status and benefits, in sync with WTO TFA commitments.

The Office of the Commissionerate of Customs, Mumbai, has authorized Creative Newtech Limited's Bhiwandi warehouse (as specified in the certificate) for imported goods storage under Private Bonded Warehouse regulations (Section 58 of the Customs Act, 1962).

### Notable Volume Accomplishments in FY22-23:

**~480 TEUs**

Imports

**55,000 units**

Domestic Transaction

**56,300 MT**

Domestic Transaction

**90 MT**

Exports

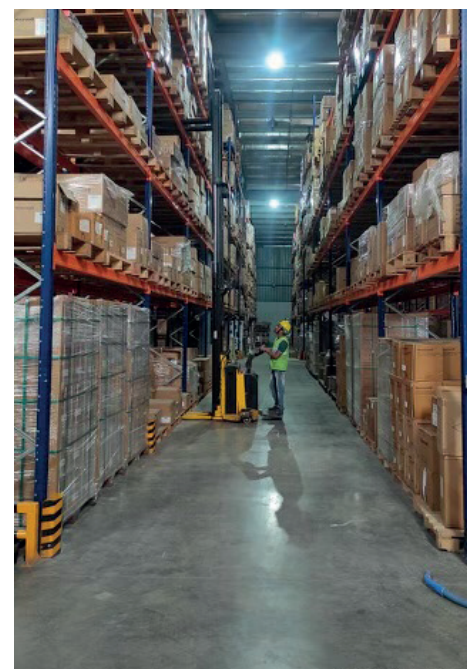
Our approach emphasizes Quality Management System integration, facilitated by a skilled and motivated team, yielding continual improvements.

We deploy advanced systems for efficient put away and throughput to achieve targeted turnover rates.

Our technology-driven Supply Chain Network incorporates API integrations with reputable logistics providers, ensuring seamless deliveries. Dedicated vehicles bolster prompt deliveries.

We prioritize security with a comprehensive system encompassing CCTV surveillance, smoke detectors, and shutter siren alarms.

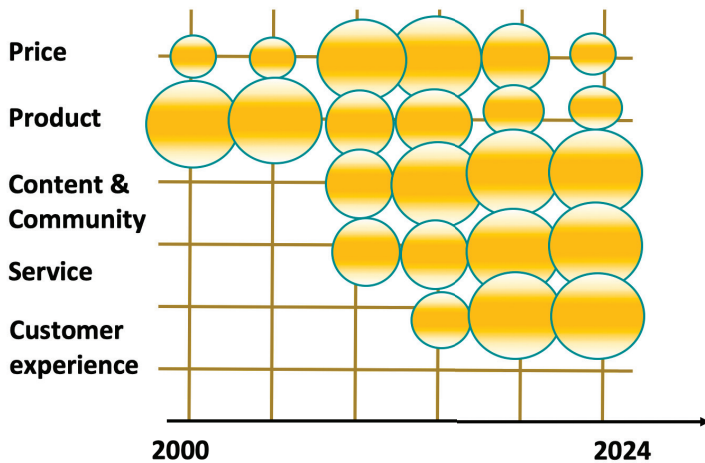
Active functional warehouses in Mainland China and Dubai, maintaining an inventory of 1000 CBM, facilitate Pan-Asia just-in-time distribution.



# Growth Blueprint:

## 3- Pronged Approach To Business Strategy

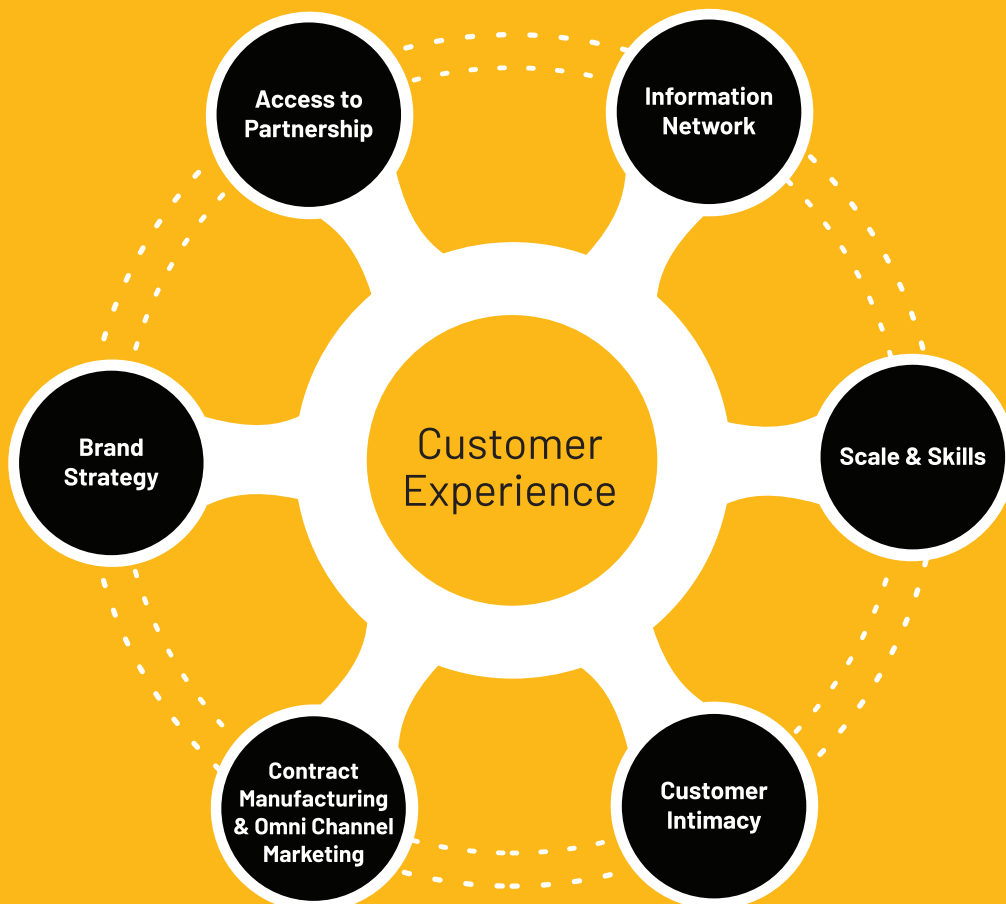
We believe that by 2024, **'customer experience', 'service' and 'community'** connect will differentiate brands and take priority over **'product' and 'pricing'** parameters for growth in the age of digital transformation. We see our opportunity in adding value for brands and partners in this growth journey.



By 2024, **Customer Experience** would overtake **Price and Product** as the key brand differentiator

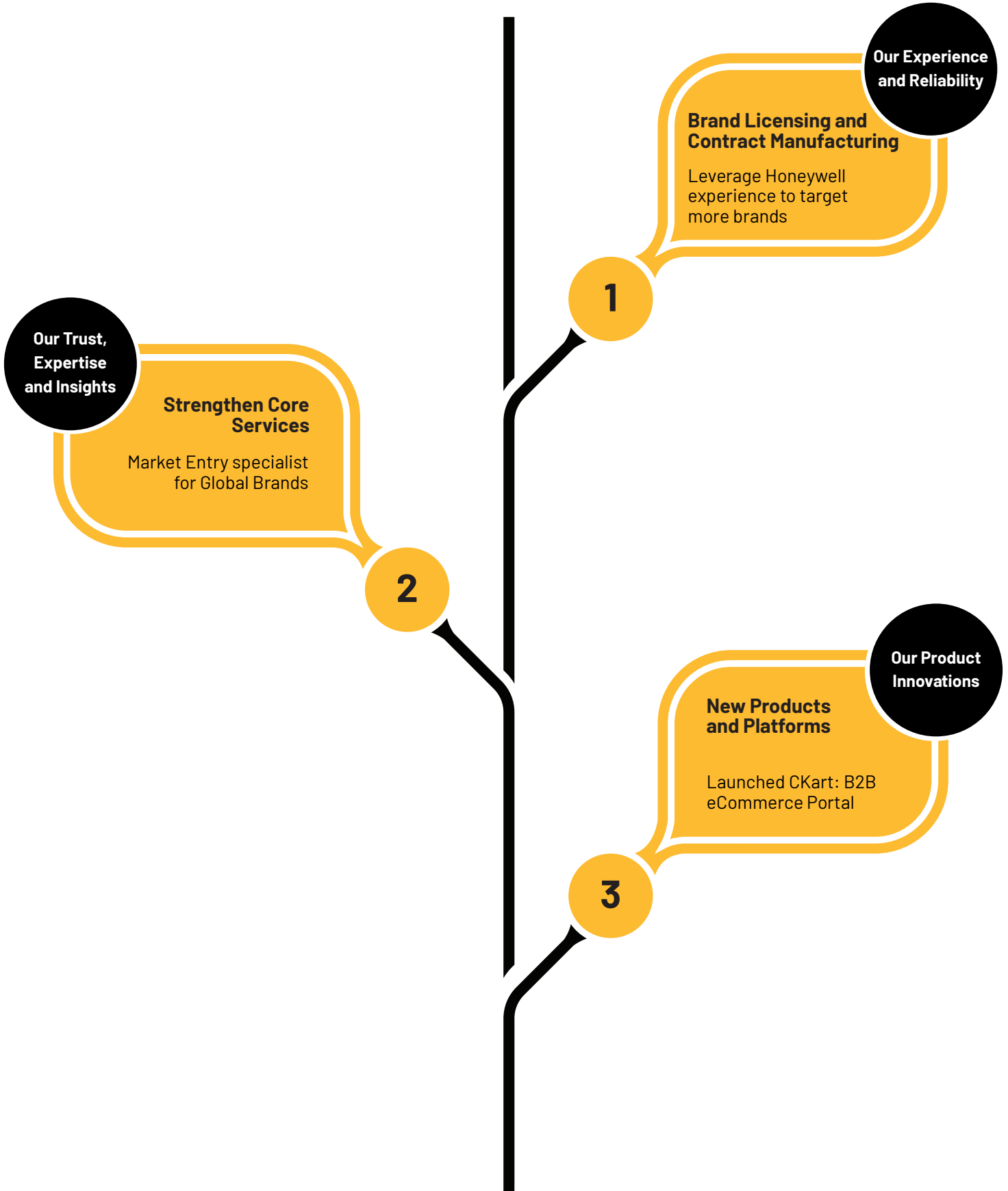
Our Value Add

## What is needed?



# Business Strategy

## 3-Pronged





# 1. Brand Licensing and Contract Manufacturing

This is the **First pillar** of our growth strategy. During the last year we have continued our long standing agreement we have a long-standing agreement for contract manufacturing and distribution of Honeywell products in 38 countries across APAC, Middle East and Africa region. Currently Honeywell License Holder and offers a vast suite of products spanning consumer to enterprise segments -from Enhancement products for laptops, smartphones & TVs, to Audio products to Air Purifiers to enterprise class infrastructure through our Structured cabling systems offerings.

**Honeywell** ([www.honeywell.com](http://www.honeywell.com)) delivers industry-specific solutions that include aerospace products and services, control technologies for buildings and industry; and performance materials globally. Our technologies help aircraft, buildings, manufacturing plants, supply chains, and workers become more connected to make our world smarter, safer, and more sustainable.

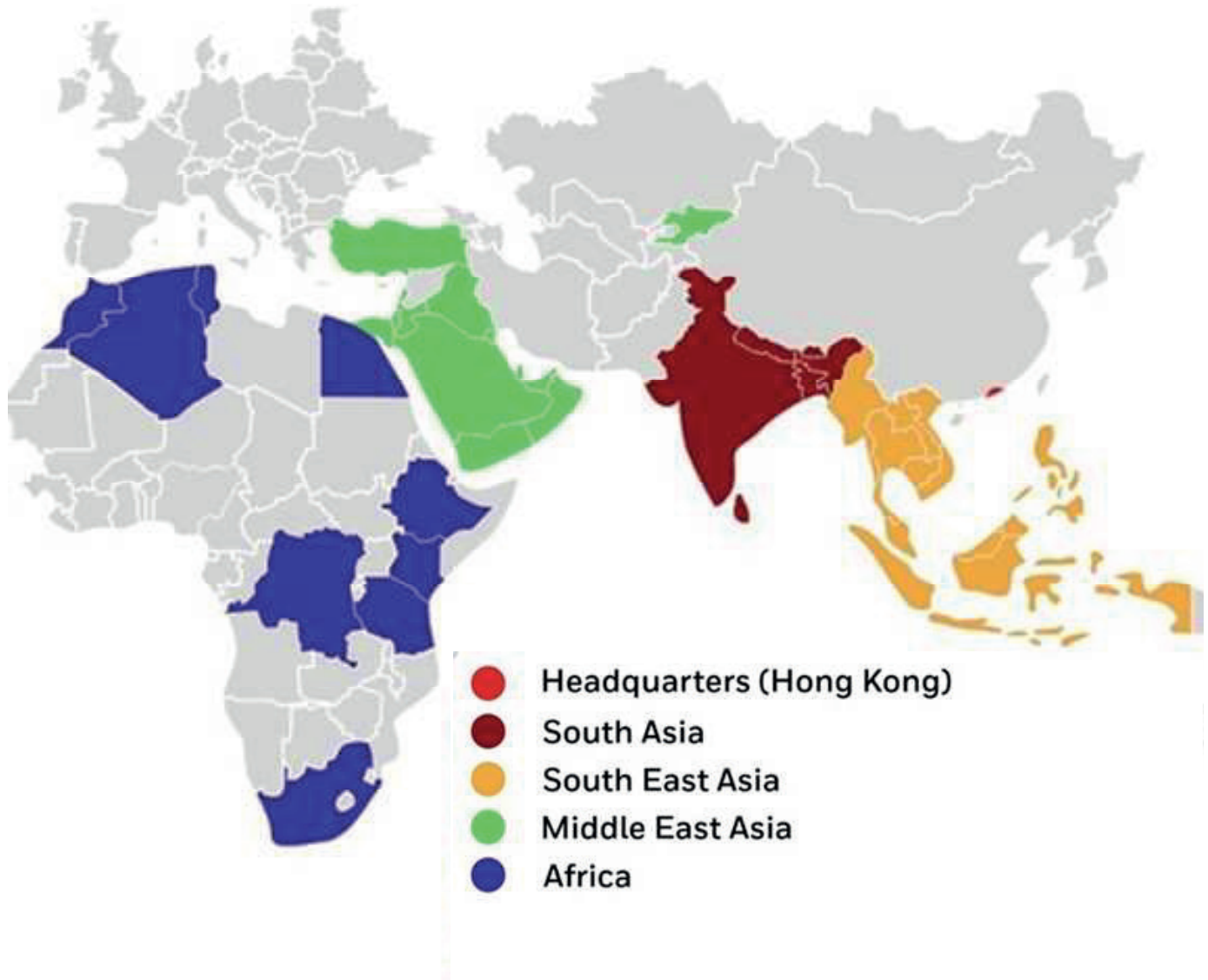
**Our Involvement:** Started association in September 2016 to capitalize opportunities seen in Indian market. Creative has been crucial support and channel for Honeywell to expand their product distribution in India, and eventually across other Asian markets, and recreate **"Power of Connect"** among consumers



- **Product Designing and Manufacturing**
  - Contract manufacturing – products manufactured at Honeywell certified factories
  - Design and casts – owned by Creative
- **Exclusive Distribution, Premium Pricing**
  - Exclusive rights across multiple product segments
  - Omni-channel supplying platforms – modern retail, e-commerce and traditional channel stores
  - Rights to assign premium pricing for certain products
- **International Markets**
  - Distribution agreement in SAARC, Middle East and APAC countries (Launched products in Middle East in ~2019)
- **Value Added Services**
  - Designing and packing of products as per Honeywell global packing guidelines
  - Offers higher/longer warranty and better after sales services
  - Demand generation and marketing activities as per Honeywell global guidelines
- **Scalability**
  - Plan to manufacture in India under 'Make in India' initiative
  - Plans to scale up operations in international markets and expand product portfolio



# Exclusive rights to sell across 38 countries



## South Asia



## Middle East Asia



## South East Asia



## Africa



## The Portfolio



**ADAPTERS**



**AIR PURIFIERS**



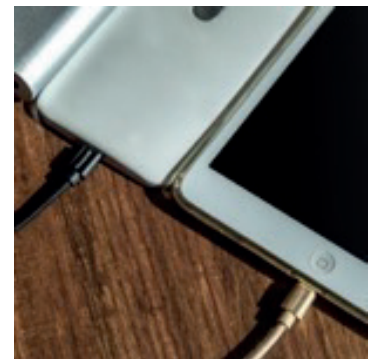
**AUDIO**



**AUDIO CABLES**



**CAR CHARGERS**



**CHARGE AND SYNC CABLES**



**CHARGING ESSENTIALS**



**HDMI CABLES**



**LAPTOP ESSENTIALS**



**STRUCTURED CABLING SYSTEMS**



**SURGE PROTECTION**  
\* Includes Apple Certified



**WI-FI ROUTERS & EXTENDERS**

## 2. Strengthen Core Services

**The Second pillar** is our expertise and stronghold in market entry and penetration for niche brands. We have long-term associations with over 25 globally renowned brands, which are leaders in their fields. These are categorized into four broad divisions: FMSG, FMCT, FMEG, EB.

Our value-added services :

### 1. Distribution

### 2. Executing Brands Marketing strategy

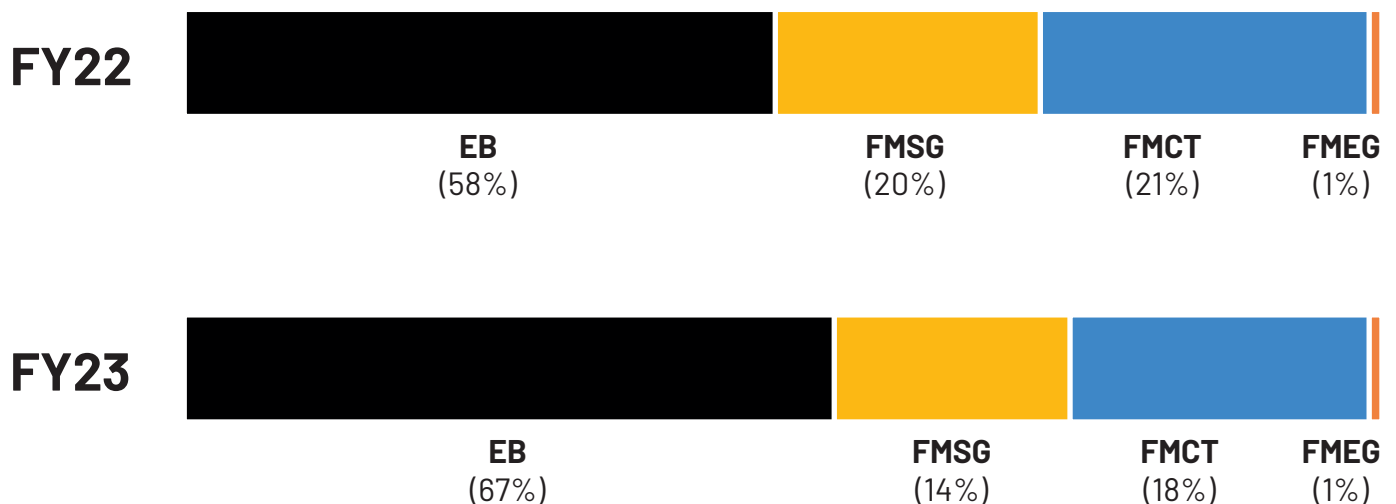
### 3. Providing D2C Services

This broad spectrum of products and services have helped the brand achieve economies of scale and become a single sourcing point to its customers. Today, Creative NewTech is a much sought-after name among OEMs, sub-distributors, and retailers, a critical link in the supply chain. We continuously enhance this bouquet of brands with new and high-margin products.



**Trusted partner for over  
25+ Global Brands**

## Segment-wise revenue



### 3. New Products and Platforms



[www.ckartonline.com](http://www.ckartonline.com)



**#1**

Online Digital B2B e-commerce platform



**#2**

Captive marketplace for subscribed business partners



**#3**

An Exclusive and Unique Offering



**#4**

Expands the company's product domain



**#5**

With growing digitization in the industry, CKart paves the way for a future-ready growth

CKART customers are exclusively tied to our platform because these partners have limited options to seek similar offerings from competitors owing to CKART's distinctiveness.

Our Partners benefit from our ecosystem due to specialized services and unique offerings. This gives us a competitive advantage and increases customer loyalty.

## Winning Idea:

### Honeywell Air Purifiers

In an era of increasing environmental concerns and health consciousness, indoor air quality has emerged as a major challenge. Honeywell, a global leader in technology and innovation and recognized this opportunity and introduced its line of air purifiers to address the pressing need for cleaner and healthier indoor environments. Honeywell, with its extensive expertise and esteemed reputation, embraced this chance to create a line of products that could genuinely transform people's living environments for the better.

Consumers were becoming increasingly aware of the impact of poor air quality on their health, leading to a demand for effective solutions. Honeywell seized this opportunity to leverage its expertise and reputation to create a product line that would make a significant difference in people's lives.

We believe that "Air purifiers have become a dire necessity and no longer a luxury product nowadays."

We have launched several marketing campaigns and run several awareness campaigns to educate consumers about the potential risk of poor air quality and tasted a positive success with good numbers in revenue as an output for our air purifiers.

In addition to this, We have achieved the number 1 preferred Air Purifier spot on Amazon UAE. Moreover, our presence in the Indian market has also been impactful, placing us in a significant position. These achievements reinforce our commitment to providing solutions that enhance the quality of life for individuals across diverse regions and underline our dedication to creating a healthier and cleaner world for all.



## HONEYWELL CONNECTION | AIR PURIFIER

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# AIR PURIFIERS ARE A DIRE NECESSITY AND NO LONGER A LUXURY

Delhi is getting cold and grey at the same time...

The air quality index of North India drastically deteriorates to hazardous levels as autumn sets in over the national capital. This is due to various factors including stubble burning, ambient dust from activities like construction, road works, vehicle pollution, etc. As temperature starts to drop, cold air (which is heavier than the warmer polluted air) descends on the capital and traps all the pollutants at ground level creating a grievous and potent cocktail of poisonous air. Today, India has the world's highest death rate from chronic respiratory diseases and asthma. As per a WHO Survey of 1650 cities, the air quality in Delhi and National Capital Region (NCR) is one of the worst in the world.

The 2021 survey by Greenpeace and IQ Air estimates 1.800 deaths per million due to increased levels of PM 2.5 in Delhi.

## Indoor Air Pollution can be 10 times worse than outdoor pollution:

Kitchen fumes from cooking, pests, dust, mites, dander, pollen, many types of micro allergens, VOC's, Aerosols, pet dander and microscopic size air pollutants trapped indoors inside the home make indoor air pollution an even bigger risk than the ambient air outdoors.

Still think home is a safe space to get rid of air pollution?

4.1% of global deaths are attributed to indoor air pollution...

## Delhi is inhaling 10 times more polluted air

Within recent years, Delhi NCR has been experiencing air pollution spikes far beyond acceptable levels. While annual prescribed standards for PM 2.5 and 10 are 60 & 100 respectively, Delhi is inhaling more than 10 times polluted air as per WHO guidelines.

## What does Air pollution do to you?

WHO provides evidence of direct links between exposure to air pollution and type-2 diabetes, obesity, systematic inflammation, Alzheimer's disease and dementia.

Breathing Hazardous Polluted air has a direct impact on the longevity of human life and disastrous long term health implications on everyone.

Both short- and long-term exposure to indoor air pollution can lead to a wide range of diseases, including aggravated asthma, acute & chronic respiratory diseases, stroke, heart disease, lung cancer and lower respiratory tract infections.

## Doctors' Health Advisory:

- Avoid morning and evening walks
- Every home must have air purifiers with HEPA filters.
- Take extra precautions for high-risk groups - Small Children, The Elderly, Pregnant Women, Asthma Patients, Patients with Chronic Obstructive Pulmonary Diseases, Patients of heart Disease and stroke, Diabetics and people with low immunity.
- Use N95 mask if going outdoors
- If you feel irritation in the throat and nose, take steam and do saltwater gargles

## Air Purifiers are a dire necessity and no longer a luxury



Mr Mohit Anand, CEO, Secure Connection Limited:

"As air pollution levels spike, people are rushing to buy air purifiers. What we need to realise though is that it doesn't matter what time of the year it is, Air Pollution is an omni potent threat for those living in North India especially the National Capital Region throughout the year. It is only during the autumn & winter months when media hype and visible deterioration of air quality causes all the panic. Today in most homes we

have water purifiers to have access to clean filtered water! That too when on an average, a person merely consumes 3-5 litres of water per day. It is quite astounding though that we do not apply the same yardstick to the air we breathe. On an average, a person breathes 11000 litres of this polluted toxic air per day, but Air Purifiers in our homes are still considered a luxury and have negligible installed base in our homes. In my view it is a no brainer that every home must absolutely have Air Purifiers in all parts of our homes so that just like we drink clean filtered water, we can start breathing clean air as well. Make air purifiers a necessity for the whole year like water purifiers. "We care for the air you breathe" and that's why we provide best in class and world leading technology to deliver clean air that matters.

## Honeywell Air Purifiers – Clean Air that Matters:

- Honeywell Air Purifiers Remove 99.99% Micro Allergens and airborne Pollutants including PM10 and PM2.5
- Clean air Delivery Rate of upto 650 m<sup>3</sup>/h
- Coverage area of up to 1008 Sq. Ft
- 5 Stage Filtration process through Pre Filter, Anti-Bacterial Filter, H13 HEPA Filter, cold catalyst filter and activated carbon filter
- Inbuilt Humidifier delivers optimal

- moisture content indoors
- Equipped with UV LED and Ionizer to help Kill harmful Bacteria
- Advanced filtration process with Air Purification Cycle every 12 minutes
- Real Time PM2.5 level indicator
- Wi-Fi enabled with "Honeywell Air Touch" App
- 3D Air Flow
- Filter Life of Up To 3,000 Hours or 1 Year
- 1+1 Year extended Warranty (Features may vary from model to model)



**Honeywell**



## Tough Entry Barrier For Competition & Hyper Growth Ahead



### Entry Barrier

The biggest entry barrier to breakthrough in Honeywell is the long-drawn compliance process and product approval including certifications.



### Approval Process

The process of getting approval for each product is time consuming and expensive.



### Launch of Products

We have spent last 4-5 years in getting the approvals for the products and now we are ready to launch several new products in coming months.

## Approved Certificates



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## ▶ Marketing Activities 2022

Digital Media Campaign for Audio in Sept  
 Impressions - 2.3 Crore Avg. CTR - 0.9%



Honeywell Connection Sponsored

Tune out the distractions & let the music take centerstage. Get up to 70% off and enjoy up to 16hrs battery with high bass

**STUNNING FIT**

**UPTO 70% OFF**

amazon.in  
**Truly Wireless Earbuds**  
 TWS Earbuds

[Shop now](#)

Honeywell Connection Sponsored

Up to 45% off! Fill your home with deep bass and rich sounds, perfect for your movie nights and get-togethers.

**BIG SOUND FOR big SCREENS**

amazon.in  
**Soundbars**  
 UP TO 45% OFF ON AMAZ...

[Shop now](#)

Honeywell Connection Sponsored

**GIFTS for everyone**

#ArtOfAudio

Bestie Mom Dad Sister Brother

**Audio Products**  
 Get up to 70% off across Honeywell's range of audio products 🍎🍏🍐 and find ...See more

[Shop now](#)

YouTube

Search

**Honeywell**

**CLEAN AIR THAT MATTERS WITH HONEYWELL AIR PURIFIERS**

Equipped With H13 HEPA Filter  
 Removes 99.99% of PM2.5\*

0:04 / 0:06

paytm

₹UPI

**IT'S THAT TIME OF THE YEAR AGAIN**

We care for the air you breathe

Clean Air That Matters With Honeywell Air Purifier

Removes 99.99% Micro Allergen & Pollutants  
 5 Stage Filtration Process

[Shop Now](#)

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# E-Media Campaign



THE TIMES OF INDIA



**Honeywell**  
Expand Your PC's Potential

#ElectronicEssentialsThatMatter

**8-IN-1 TYPE C ULTRA DOCK WITH 4K HDMI**

2 SD 2 USB 1 Ethernet 1 DisplayPort 1 Type-C 1 PD

- SD and Micro SD card slot supports 2 cards simultaneously
- 2xUSB 3.0 ports deliver a transfer speed of 5 GBPS
- RJ45 Gigabit Ethernet Port offers blazing fast speed upto 1 Gbps bandwidth
- Ultra HD resolution up to 4Kx2K through HDMI port
- 1920Px1200P resolution with VGA Port
- Type C 3.0 port supports PD charging upto 100W & data transfer speed of 5GBPS
- Supports MST, Mirroring & Extend modes, Fast Swap PD 3.0, UHS-I and Thunderbolt 3 Compatible

Secure Connection Limited  
Flat M, 11th Floor, Tower 6 Grand Water Front, 38 San Ma Tau Street, Tsim Sha Tsui, Kowloon, Hong Kong

3 Year WARRANTY

**Honeywell**  
Connected Lifestyle  
Connected Entertainment

**Electronic Essentials  
That Matter**



**The Art Of Audio**

**Clean Air That Matters**

**Honeywell**  
**STRUCTURED  
CABLING SYSTEMS**

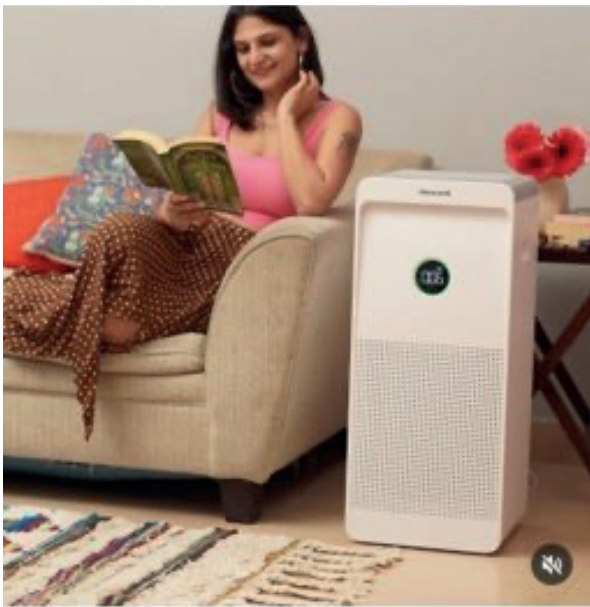
**Copper & Fiber Cable | CCTV | Patch Panels | Keystone Jacks | LIU's | Patch Cords | Pigtails | RJ-45 Plugs | Face Plates | Adapters and Connectors**

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## Influencer Marketing on Instagram

- Verified and reputed influencers with a total of 35 Lakh + followers.
- Profile: Environmentalists, yoga trainers, influencer moms, lifestyle influencers, and tech reviewers.
- Content: Posts, swipe-up stories, reels, and review videos



957 likes

**anupriyakapur** Coming home from the city's dreary and nauseating pollution. I always crave to breathe in fresh air. My Honeywell air purifier is what I need to give me a perfect breather at home so that I can always enjoy my me time. Honeywell air touch U1 works on 4 stage filtration process through Pre-Filter, Anti-Bacterial Filter, H13 Hepa Filter and Activated Carbon Filter with a powerful VOC Sensor, make the air around you feel like absolute bliss. Honeywell air touch U1 is made to keep the air cleanest and purest as it comes up with Real Time PM2.5 level indicator.

So, now, get ready to experience and breathe in the air that feels too pure to be true super with my Honeywell Air Purifier. So, what are you waiting for? Bring yours home today.



242 likes

**yogasini** Yoga helps in keeping me and my system purified and rejuvenated. It's becoming essential for my well being. My Honeywell air touch U2 comes up with a 5 stage filtration process and exactly does to the air and the environment I breathe in what yoga does to my physical and mental wellbeing. This air purifier has a pre-filter, Anti-Bacterial filter, H13 Hepa Filter, and is designed to keep the air purest as it comes up with an Activated carbon filter with Humidifier

So, protect your family and your loved ones from smoke, dust, pollens, VOC, Virus, Bacteria with the real-time PM2.5 and soak in the 3D airflow of air purity experience like never before.

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# Newspaper Campaign

## A BREATH IS AS IMPORTANT AS A DROP OF WATER

Did you know that we drink 3-4\* liters of filtered water but breathe 11,000\* liters of unfiltered air everyday?  
We care for the air you breathe.



The air quality index of North India drastically deteriorates to hazardous levels as autumn sets in over the national capital. This is due to various factors including stubble burning, ambient dust from activities like construction, road works, vehicle pollution, etc. As temperatures start to drop, cold air which is heavier than the warmer polluted air descends on the capital and traps all the pollutants at ground level creating a grey and smoggy cloak of pollution in Delhi. India has the world's highest death rate from chronic respiratory diseases and asthma. As per a WHO Survey of 1000 cities, the air quality in Delhi and National Capital Region (NCR) is one of the worst in the world.

**Indoor Air Pollution can be 10 times worse than outdoor pollution:**

Household factors from cooking, smoking, dust, mats, stander, perfum, many types of micro allergens, VOCs, Aerosols, pet dander and microscopic size air pollutants trapped indoors inside the home make indoor air pollution an even bigger risk than the ambient air outdoors.

Still think home is a safe space to get rid of air pollution?  
4.1% of global deaths are attributed to indoor air pollution.

**Delhi is inhaling 10 times more polluted air**

Within recent years, Delhi NCR has been experiencing air pollution spikes far beyond acceptable levels. While annual prescribed standards for PM<sub>2.5</sub> and  $SO_2$  are 80 & 80 respectively, Delhi is inhaling more than 10 times polluted air as per WHO guidelines.

**What does Air Pollution do to you?**

WHO provides evidence of direct links between exposure to air pollution and Type 2 diabetes, obesity, systemic hypertension, Alzheimer's disease and dementia.

Breathing Hazardous Polluted air has been linked to the following ailments:

Both short- and long-term exposure to indoor air pollution can lead to a wide range of diseases, including aggravated asthma, acute & chronic respiratory diseases, stroke, heart disease, lung cancer and lower respiratory tract infections.

**Doctors' Health Advisory:**

- Avoid morning and evening walks
- Every home must have air purifiers with HEPA Filters
- Take extra precautions for high-risk groups - Small Children, The Elderly, Pregnant Women, Asthma Patients, Patients with Chronic Obstructive Pulmonary Diseases, Patients of heart Disease and stroke, Diabetes and people with low immunity
- Use HEPA mask if going outdoors
- If you feel irritation in the throat and nose, use steam and salt water gargles

**Air Purifiers are a dire necessity and no longer a luxury**

Dr. Mohit Anand, CEO, Secure Connection Limited: "As air pollution levels spike, people are becoming more health conscious. It is not just about looking good, it is about staying healthy. It is a semi-urgent need for those living in North India especially in the National Capital Region throughout the year. It is only during the autumn & winter months when media hype and visible deterioration of air quality causes all the panic. Today in most homes we have water purifiers to have access to clean filtered water. That too when on an average, a person merely consumes 3-5 litres of water per day. It is quite astounding though that we do not apply the same periodic care to the air we breathe. On an average, a person breathes 11,000 litres of this polluted toxic air per day, but Air Purifiers in our homes are still considered a luxury and their negligible installed base in our homes. In my view, it is a no-brainer that every home must absolutely have Air Purifiers in all parts of our homes so that we can start breathing clean air as well. Make air purifiers necessary for the whole year like water purifiers. "We care for the air you breathe" and that's why we provide best in class and world leading technology to deliver clean air that matters."

**Honeywell Air Purifiers - Clean Air that Matters:**

- Honeywell Air Purifiers Remove 99.99% Micro Allergens and PM2.5
- Clean Air Delivery Rate is up to 500 CFM
- Coverage area up to 500 Sq. Ft
- 5 Stage Filtration process through the Filter, Anti-Bacterial Filter, H13 HEPA Filter, cold catalyst filter and activated carbon filter
- Inbuilt Humidifier delivers optimal moisture content indoors
- Equipped with UV LED and Ionizer to help kill harmful Bacteria
- Advanced filtration process with Air Purification Cycle every 12 minutes
- Real Time AQI Level Indicator
- Wi-Fi enabled with "Honeywell Air Touch" App
- 30 Air Flow
- Filter Life of Up To 3000 Hours or 1 Year
- 1+1 Year extended Warranty (Warranty may vary from model to model)

**Clean Air That Matters With Honeywell Air Purifiers**

Removes 99.99% Micro Allergens & Pollutants Including PM10 & PM2.5

5 Stage Filtration Process

Activated Carbon Filter, Cold Catalyst & Pre-Filter Removes Dust, Toxic Gases, Odour, VOCs

HEPA FILTER | CADR (UP TO 500 CFM) | COVERAGE AREA (UP TO 500 SQ. FT) | AIR PURIFICATION CYCLE EVERY 12 MINUTES | REMOVED 99.99% | H13 HEPA FILTER | UV LED | 1+1 YEAR WARRANTY

For more details WhatsApp @ 91-98960-98960

Available on Amazon | Flipkart | BUY NOW

**Honeywell**

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Delhi is getting cold and grey at the same time...



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## CLEAN AIR THAT MATTERS

Honeywell Air Purifiers Remove 99.99% Micro Allergens & Pollutants Including PM10 & PM2.5

We care for the air you breathe!

SAVE UP TO ₹15,500/-  
PRICES START FROM ₹7,299/-

5 Stage Filtration Process | Pre-Filter, Activated Carbon Filter, Cold Catalyst Filter | Removes Dust, Toxic Gases, Odour, VOCs

HEPA FILTER | CADR (UP TO 500 CFM) | COVERAGE AREA (UP TO 500 SQ. FT) | AIR PURIFICATION CYCLE EVERY 12 MINUTES | REMOVED 99.99% | H13 HEPA FILTER | UV LED | 1+1 YEAR WARRANTY

For more details WhatsApp @ 91-98960-98960

Available on Amazon | Flipkart | BUY NOW

**Honeywell**

# Gates Consumer Tech Summit, Thailand

## 15th - 17th March 2023 SEA



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# PR Activities

Honeywell Audio, Air Purifier & Zest Charger featured in T3FS Magazines - Rating of 10/10

Got Coverage in Smart Home World

## HONEYWELL

SMART STUFF



### Honeywell Trueno U200 Wireless Bluetooth Speaker

- Seamless connectivity with Bluetooth V5.0.
- Built-in rechargeable lithium-ion 2000 mAh battery supports up to 200 hours of standby time.
- Get up to 15 hours of Playtime in just 4 hours of charge with a micro-USB cable.
- Easily make calls with an integrated mic.
- Compatible connectivity via TF Card, 3.5 mm Audio Jack, and USB.
- Hang your speaker wherever you want with its integrated rope loop.
- IPX6 (Waterproof). Voice assistant enabled.
- Experience the premium stereo sound from 44.45mm\*2 drivers.
- Enjoy an uninterrupted audio experience with 10m of Bluetooth range.
- Output Power: 10W. Material: Waterproof Mesh Fabric.



### Honeywell Air Touch P2 Indoor Air Purifier

- Removes 99.99% Micro Allergens and airborne Pollutants including PM10 and PM2.5
- Protect your family from smoke, Dust, Pollens, VOC, virus, and Pet Danger to give a safe indoor environment to your loved ones
- CADR of up to 550 m3/h and coverage area of up to 853 Sq. Ft
- 4 Stage Filtration process through Anti-Bacterial Filter, Pre Filter, High-Grade H13 HEPA Filter, and Activated carbon filter
- Equipped with UV LED to help Kill Harmful Bacteria
- Advanced filtration process with Air Purification Cycle every 12 minutes
- Real-Time PM2.5 level indicator
- WI-Fi enabled with "Honeywell Air Touch" App
- Front and Upward Airflow with 3D Air Flow and Filter Life of Up To 3000hrs or 1 year
- 1 Year Warranty



### Honeywell 65W GaN Ultra-fast charger-2xTypeC Ports

- Honeywell Zest GaN charger with 65W Max TypeC PD3.0 Output. Switchable plugs make it a perfect global charger with EU, UK, IN Plugs
- Charge 2 devices simultaneously. Charger auto matches & delivers optimal charging for both devices
- Comprehensive protection: Over-current/voltage/temperature/heating & Short Circuit protection. Completely safe for overnight charging
- GaN chargers are 3X better than silicon chargers, smaller, portable & charge upto 10X faster. They generate much less heat.
- 3 Year Warranty

Comment: Make your Honey well with Honeywell Appliance (High recommended by T3FS Magazine) Rating: 10/10

Honeywell Air Touch U2 has a higher CADR, Coverage area and it is equipped with Pre-Filter, Anti-Bacterial Filter, High-Grade H13 HEPA filter, Cold Catalyst, Activated Carbon Filter, UV LED, Ionizer, and a Humidifier. It removes 99.99% of Micro Allergens and airborne Pollutants including PM10 and PM2.5. It has a CADR of up to 650 m3/h and a coverage area of up to 93.64 square meter. The 5 Stage Filtration process through Pre Filter, Anti-Bacterial Filter, High-Grade H13 HEPA Filter, Cold Catalyst, and Activated Carbon Filter with Humidifier to maintain ideal moisture levels in ambient air. It is equipped with UV LED and Ionizer to help kill harmful Bacteria. This air purifier is WI-Fi enabled with Honeywell Air Touch App. It also has a filter life of up to 3000 hours. The Air Touch U2 are available in Value, Platinum, and Ultimate Series with a complete range of 7 models.

**Brand Name:** Honeywell  
**Product Name:** Air Touch U2  
**Colour:** White with Champagne Gold  
**Size:** CADR of up to 650 m<sup>3</sup>/h with a coverage area of up to 93.64 square meters  
**Weight:** 11.3kg  
**Control Method:** Touch Panel, Remote Control and Wi-Fi enabled to operate through Smartphone by installing Honeywell Air Touch App from Google Play Store and Apple App Store  
**Style Name:** Ultimate Series

January 2023

Trendy Travel Trade with Food & Shop 51

Trendy Travel Trade with Food & Shop 51

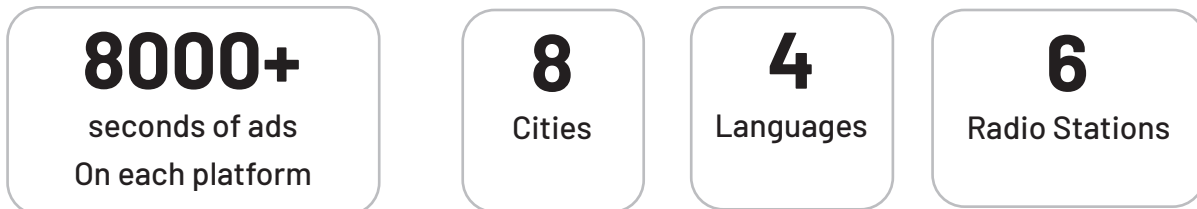
FEBRUARY 2023 | SMARTHOME WORLD | 37

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## FM Radio Campaign

- Radio Campaign is 15th Apr to 15th May'22
- Advertising in cities covering Radio Stations in - Tier 1 & Tier 2 cities, Pan India
- Ads run in 4 Languages – English, Hindi, Bengali and Tamil.
- Detailed plan as per table below

Over 8000 seconds of ads played on each platform in 8 cities during prime-time Bands



## CUSTOMER EXPERIENCES

gautam verma

★★★★★ **Value for money**

Reviewed in India on 30 July 2023

Colour: Black | Size: Air Touch Compound Filter with HEPA | Style Name: Value | **Verified Purchase**

Honeywell has significantly improved the quality of its replacement filters. The weight of the filter is more than the previous one and the mesh pattern has also changed. It's really effective in cleaning the air and especially cigarette smoke if you are an indoor smoker. Good work guys.



### By feature

Easy to install	★★★★☆ 4.3
Easy to clean	★★★★☆ 4.2
Durability	★★★★☆ 4.0
Sleep mode	★★★★☆ 3.7
Value for money	★★★★☆ 3.6
Noise Level	★★★★☆ 3.5

SAHIL G.

★★★★★ **GO FOR IT** 😊

Reviewed in India on 12 November 2020

Colour: White | Size: Honeywell Air Touch A5 | Style Name: Value | **Verified Purchase**

First purchased one then ordered 2more for other bedrooms.

Pros-

- 1.IT WORKS JUST FINE WITH MINIMALSTIC FEATURES AND DOES IT JOB PRETTY WELL.
- 2.ITS NOISE CAN BE ADJUSTED BY CHANGING FAN SPEED.
- 3.DECENT SUCTION POWER BEST FOR BEDROOMS.
- 4.OLED DISPLAY IS GOOD.
- 5.THE AQI REALTIME SENSOR ALSO IS VERY ACCURATE WITH FAST READING AND RESPONSE TIME.
- 6.LOW POWER CONSUMPTION.
- 7.GOOD LOOKING, EASY TO PLACE ,PRE FILTER EASY TO REMOVE CLEAN AND REINSTALL.
- 8.GOOD SERVICE AND REPUTED BRAND

5★ **Simply awesome**

Was little sceptical if it would work , but after using for a month found it very useful. Quickly d etc and removes in 5-10mins. Good product.

manish chandra Certified Buyer, Pune 9 months ago

## Defy the moment with OM SYSTEM

When a moment comes, one that makes you feel you should be ready to capture it. Those moments of beauty are meant to be shared, feelings to be remembered and images intended to be captured. This is what OM SYSTEM cameras are for.

OM SYSTEM; formerly known as OLYMPUS is a unique camera brand. The brand's uniqueness lies in the compactness and dependability. The camera system which is innovative, creator centric allowing the photographer to always be ready to capture once-in-a-lifetime moments.

### Some of the core features of OM SYSTEM cameras are

- High image quality
- Computational photography
- High speed performance
- Absolute reliability

Due to these features the OM SYSTEM is a preferred camera system by outdoor and adventure photographers. Making it a specialized brand in Wildlife, Bird, Macro and Landscape photography.

**OM SYSTEM** users are well knowledgeable and unique. They know the specific reason for what they are buying OM SYSTEM cameras and lenses.

Since past few years adventure and outdoor photographers in India have started recognizing this brand's uniqueness. In India it has acquired a niche status just like in global markets.

The target customers for OM SYSTEM camera are the ones who likes adventure, they are explorers and they love to capture images during their adventure. Especially wild life photographers, bird photographers and macro photographers are always looking for a camera system which is easy and light weight to carry. The top priority for them is that their photography equipment is reliable and weather sealed so that they can concentrate on capturing the unique moments they encounter during their adventure.

## Light in Wild campaign

In India Creative newtech team has successfully worked to establish the brand. The marketing strategy implemented was simple and straightforward. Make them believe in the legacy of OM SYSTEM camera. Make them believe in the compactness and dependability of the camera and lenses. Make them believe in breaking free from the conventional photography and adapt computational photography.

Under Light in Wild campaign, there were safaris, photo-walks and webinars organized by Creative Newtech and we have seen numerous participation from the Photography lovers.

During safaris participants got a chance to experience and explore OM SYSTEM cameras and lenses. They got a chance to learn from OM SYSTEM mentors.

During photo walks users got a chance to engage with the brand and enjoy hands on experience locally. These photo walks were planned in various cities across India.

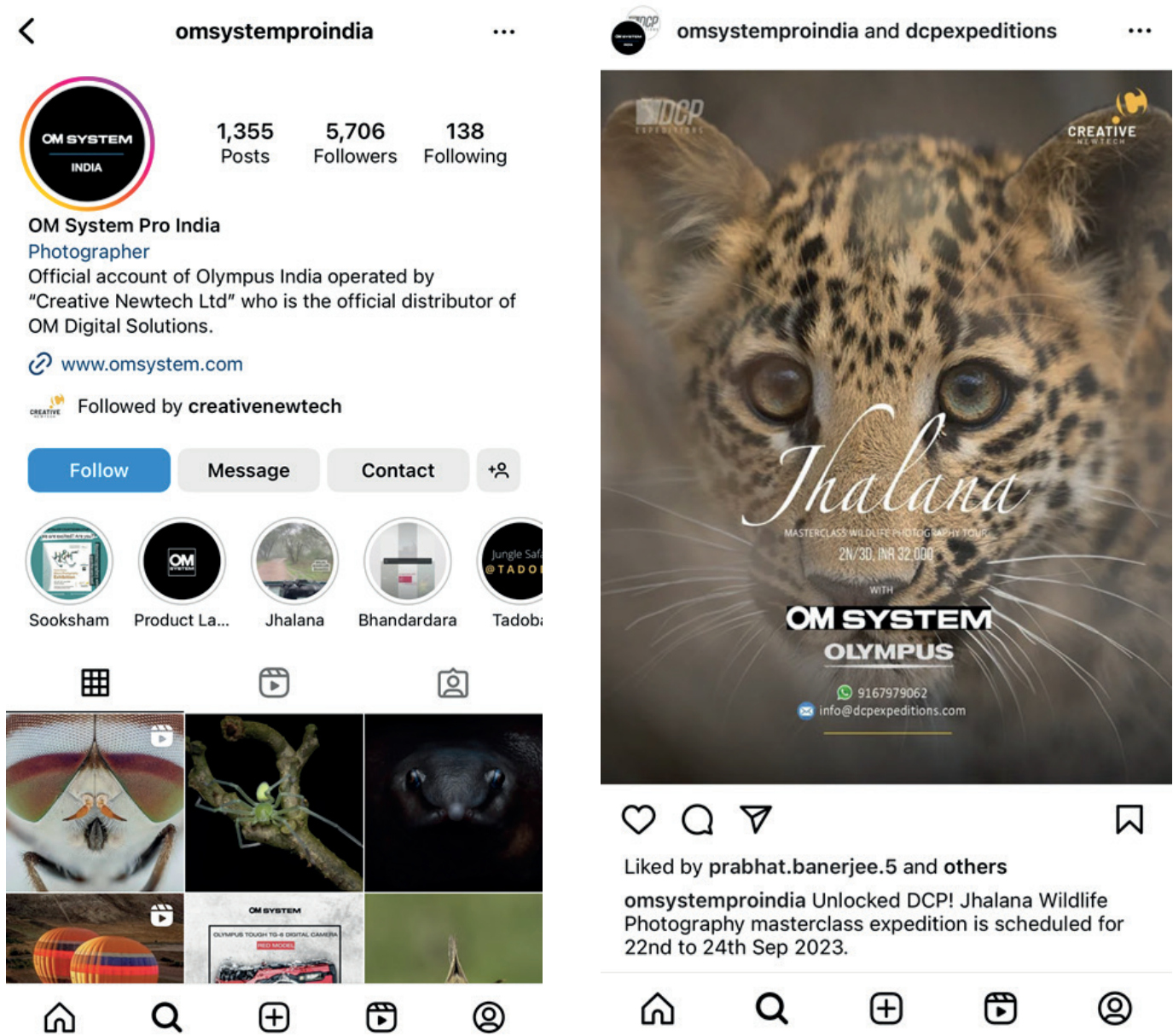
This was a unique activity where users and channel partners got a chance to know each other

During webinars OM SYSTEM mentors got a chance to share their experience with everyone across and outside India.



## Active social media -

Being an imaging brand it is important in today's online era to have a significant presence on social media platforms. Along with offline activities like safaris, photo walks, users are getting engaged with the brand on Instagram and Facebook. Along with official brand content we are sharing users' content on social media platform. This is helping the brand to build the community on social media.



In conclusion, during the establishment of the brand OM Systems in India, we successfully attained several key goals. Our efforts led to heightened brand awareness and a positive reputation. We effectively positioned the brand within the community of skilled wildlife, bird, and macro photographers. Moreover, we achieved the objective of enhancing customer involvement through a blend of online and offline activities. Our strategy also involved identifying mentors and seamlessly integrating them into interactions with both existing and potential users. These accomplishments collectively showcase the strategic approach and dedication that Creative Newtech used to drive OM Systems' successful inception in the Indian market.

## Creative Newtech's 8 City roadshow

Offerings of 25+ brands like Honeywell, iball, Hyperice, Cooler Master, Samsung & MSI etc., showcased in one venue

Creative Newtech largest retail and e-commerce market entry specialist company representing 25+ brands across FMSG (Fast Moving Social-Media Gadgets), FMCT (Fast Moving Consumer Technology), FMEG (Fast Moving Electronic Goods), EB (Enterprise Business) categories, recently held "Creative Connect" across eight cities - Vadodara, Bhopal, Jammu, Dehradun, Varanasi, Patna, Bhubaneshwar & Kolkata. 1000+ sellers/dealers attended the roadshow across these cities, which showcased an entire range of offerings from 25+ brands like Honeywell, Iball, Hyperice, Samsung, Cooler Master, Lexar, Olympus, among others, in one venue.

Commenting on Creative Connect's success, Ketan Patel, CMD of Creative Newtech, said, "We are thrilled to introduce 'Creative Connect,' an event that underscores our commitment to fostering innovation, collaboration, and growth in Tier 2 cities, as these cities continue to rise as significant contributors to our nation's economic landscape, we believe it is crucial to provide a platform that not only celebrates product demonstration but also catalyzes meaningful business interactions.

"Creative Connect" is poised to redefine the way business is conducted in Tier 2 cities, empowering local entrepreneurs, and contributing to the overall economic development of these regions. With Creative Connect, we solve both issues for these sellers, they get to not only experience personally the entire range of offerings from over 25 prominent brands, but they also get engaged by our team on various other queries they may have. I am delighted with our response to this edition and plan to take it to more cities next year."







## NOTICE FOR NINETEENTH ANNUAL GENERAL MEETING

**NOTICE** is hereby given that the NINETEENTH ANNUAL GENERAL MEETING (“AGM”) of the Members of Creative Newtech Limited will be held on Monday, 25<sup>th</sup> September 2023 at 11.00 a.m. through Video Conferencing (‘VC’), to transact the following business:

### Ordinary Business:

- 1. To consider and adopt the Audited Financial Statements (including audited consolidated financial statements) of the Company for the Financial Year ended March 31, 2023 and the reports of the Board of Directors and Auditors thereon.**

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

**“RESOLVED THAT** the audited financial statements (including audited consolidated financial statements) of the Company for the financial year ended March 31, 2023 and the reports of the Board of Directors and Auditors thereon laid before this meeting, be and are hereby considered and adopted.”

- 2. To declare Final Dividend:**

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

**“RESOLVED THAT** a dividend at the rate of Re. 0.50/- (Fifty Paise only) per equity share of Rs. 10/- (Rupees Ten only) each fully paid-up of the Company be and is hereby declared for the financial year ended March 31, 2023 and the same be paid as recommended by the Board of Directors of the Company out of the profits of the Company for the financial year ended March 31, 2023.”

- 3. To appoint Mrs. Purvi Patel (DIN 02663240), as director, liable to retire by rotation, and being eligible, offers herself for re-appointment.:**

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

**“RESOLVED THAT** pursuant to the provisions of Section 152 of the Companies Act, 2013, Mrs. Purvi Patel (DIN 02663240), Whole-time Director of the Company, who retires by rotation at this meeting and being eligible has offered herself for re-appointment, be and is hereby appointed as a Whole-time Director of the Company, liable to retire by rotation.”

### Special Business:

- 4. Approval for Related Party Transactions:**

To consider and if thought fit, to pass the following resolution, with or without modification(s), 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, as amended till date, 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 Secure Connection Limited (Hong Kong), a subsidiary Company of Creative Newtech Limited, a related party within the meaning of Section 2(76) of the Act and Regulation 2(1)(zb) of the Listing Regulations, for trading of electronics goods, on such terms and conditions as the Board of Directors may deem fit, up to a maximum aggregate value of Rs. 2,50,00,00,000/- (Rupees Two Hundred and Fifty Crores only) for the financial year 2023-24, provided that the said contract(s)/ arrangement(s)/ transaction(s) so carried out shall be at arm's length basis and in the ordinary course of business of the Company."

**"RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorised to delegate all or any of the powers conferred on it by or under this resolution to any Committee of Directors of the Company and to do all acts and take such steps as may be considered necessary or expedient to give effect to the aforesaid resolution."

**5. Revision of Remuneration of Mr. Ketan Patel (DIN 00127633) Chairman and Managing Director of the Company:**

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

**"RESOLVED THAT** pursuant to the provisions of Sections 197 and other applicable provisions, if any, of the Companies Act, 2013 ("Act") read with Schedule V to the Act and the Rules made thereunder, including any statutory modification thereof, or any other law and as approved by the nomination and remuneration committee and Board of Directors, consent of the members and is hereby accorded for the revision in the remuneration structure of Mr. Ketan Patel (DIN – 00127633), Chairman and Managing Director of the Company with effect from 01<sup>st</sup> April 2023, as under:

Sr. No.	Particulars	Annual Remuneration (In Rs.)
1	Basic Salary	22,60,608
2	HRA	11,30,304
3	Special Allowance	30,48,780
4	Education Allowance	19,200
	Gross Remuneration (A)	64,58,892
1	PF (Employer Contribution)	21,600
2	Gratuity	1,08,732
3	Bonus	7,000
4	Proposed Performance Bonus *	15,00,000
	Other Benefits (B)	16,37,332
<b>Total CTC (A+B)</b>		<b>80,96,224</b>

**"RESOLVED FURTHER THAT** Mr. Tejas Doshi, Chief Compliance Officer and Company Secretary, be and is hereby authorized to take such steps and to do all such acts, deeds, matters and things as may be required to give effect to the foregoing resolution."

**6. Revision of Remuneration of Mrs. Purvi Patel (DIN 02663240) Whole-time Director of the Company:**

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

**“RESOLVED THAT** pursuant to the provisions of Sections 197 and other applicable provisions, if any, of the Companies Act, 2013 (“Act”) read with Schedule V to the Act and the Rules made thereunder, including any statutory modification thereof, or any other law and as approved by the nomination and remuneration committee and Board of Directors, consent of the members and is hereby accorded for the revision in the remuneration structure of Mrs. Purvi Patel (DIN 02663240) Whole-time Director of the Company with effect from 01<sup>st</sup> April 2023, as under:

Sr. No.	Particulars	Annual Remuneration (In Rs.)
1	Basic Salary	12,57,840
2	HRA	6,28,920
3	Special Allowance	16,87,872
4	Education Allowance	19,200
	Gross Remuneration (A)	35,93,832
1	PF (Employer Contribution)	21,600
2	Gratuity	60,504
3	Bonus	7,000
4	Proposed Performance Bonus *	10,00,000
	Other Benefits (B)	10,89,104
<b>Total CTC (A+B)</b>		<b>46,82,936</b>

“RESOLVED FURTHER THAT Mr. Tejas Doshi, Chief Compliance Officer and Company Secretary, be and is hereby authorized to take such steps and to do all such acts, deeds, matters and things as may be required to give effect to the foregoing resolution.”

**7. Revision of Remuneration of Mr. Vijay Advani (DIN 02009626) Whole-time Director of the Company:**

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

**“RESOLVED THAT** pursuant to the provisions of Sections 197 and other applicable provisions, if any, of the Companies Act, 2013 (“Act”) read with Schedule V to the Act and the Rules made thereunder, including any statutory modification thereof, or any other law and as approved by the nomination and remuneration committee and Board of Directors, consent of the members and is hereby accorded for the revision in the remuneration structure of Mr. Vijay Advani (DIN 02009626) Whole-time Director of the Company with effect from 01<sup>st</sup> April 2023, as under:

Sr. No.	Particulars	Annual Remuneration (In Rs.)
1	Basic Salary	15,83,136
2	HRA	7,91,568
3	Special Allowance	21,29,340
4	Education Allowance	19,200
	Gross Remuneration (A)	45,23,244
1	PF (Employer Contribution)	21,600
2	Gratuity	76,152
3	Bonus	7,000
4	Proposed Performance Bonus *	7,50,000
	Other Benefits (B)	8,54,752
<b>Total CTC (A+B)</b>		<b>53,77,996</b>

**“RESOLVED FURTHER THAT** Mr. Tejas Doshi, Chief Compliance Officer and Company Secretary, be and is hereby authorized to take such steps and to do all such acts, deeds, matters and things as may be required to give effect to the foregoing resolution.”

**By order of the Board of Directors  
Creative Newtech Limited**



**Tejas Doshi  
Chief Compliance Officer and Company Secretary  
ACS – 30828**

**Date: 10<sup>th</sup> August 2023  
Place: Mumbai**

## Notes:

- 01 This 19<sup>th</sup> Annual General Meeting is being held pursuant to the MCA Circulars through VC / OAVM, physical attendance of Members has been dispensed with. The deemed venue for the 19<sup>th</sup> AGM shall be the Registered Office of the Company. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
- 02 Institutional / Corporate Shareholders (i.e., other than individuals, HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG Format) of its Board or governing body Resolution/Authority letter etc., authorising its representative(s) to attend the AGM through VC / OAVM on its behalf and to vote through remote e-voting and e-voting at AGM. The said Resolution/Authority letter shall be sent to the Scrutiniser by email through its registered email address to cs.smishra@gmail.com with a copy marked to cs@creativenewtech.com.
- 03 The Notice of AGM is being sent to those members/beneficial owners whose name appear in the register of members/list of beneficiaries received from the depositories as on Friday, August 25, 2023.
- 04 In compliance with the aforesaid MCA Circulars and SEBI Circular dated May 12, 2020, and subsequent amendment from time to time till the date, Notice of the EGM is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depository Participant (DP)/Company's Registrar and Transfer Agent (RTA). Members may note that the Notice of EGM will also be available on the Company's website at [www.creativenewtech.com](http://www.creativenewtech.com) websites of the National Stock Exchange of India Limited at [www.nseindia.com](http://www.nseindia.com) respectively, and on the website of our RTA at [www.bigshareonline.com](http://www.bigshareonline.com).
- 05 The statement pursuant to Section 102(1) of the Companies Act, 2013 with respect to the special business set out in the Notice is annexed herewith.
- 06 The dividend on Equity Shares, if declared at the Meeting, will be paid subject to deduction of tax at source within 30 days from the date of declaration to those members whose names appear in the Register of Members and those beneficiaries, whose names are furnished by the National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) as beneficial owners on the Record Date i.e., September 18, 2023.
- 07 Listing Regulations, has mandated that for making dividend payments, companies whose securities are listed on the stock exchanges shall use electronic clearing services (local, regional or national), direct credit, real time gross settlement, national electronic funds transfer etc. The companies and the registrar and share transfer agents are required to seek relevant bank details of shareholders from depositories/ investors for making payment of dividends in electronic mode. It is also mandatory to print the bank details on the physical instrument if the payment is made in physical mode. Accordingly, shareholders are requested to provide or update (as the case may be) their bank details with the respective depository participant for the shares held in dematerialised form and with the registrar and share transfer agent in respect of shares held in physical form. For further details about registration process, please contact your depository/ R&TA of the Company.
- 08 All dividends remaining unclaimed and unpaid for a period of seven years from the date it is

lying in the unpaid dividend account, are required to be transferred to the Investor Education and Protection Fund (IEPF) of the Central Government. Accordingly, till date the Company has transferred to IEPF the unclaimed and unpaid amount pertaining to dividends declared. Members may please note that no claim shall lie against the Company in respect of dividend which remain unclaimed and unpaid for a period of seven years from the date it is lying in the unpaid dividend account and no payment shall be made in respect of such claims.

09 Also, in terms of Section 124(6) of the Act, read with Rule 6 of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, (as amended from time to time) shares on which dividend has not been paid or claimed by a shareholder for a period of seven consecutive years or more are required to be credited to the Demat Account of Investor Education and Protection Fund Authority (IEPFA) within a period of thirty days of such shares becoming due to be so transferred. Accordingly, equity shares which were/ are due to be so transferred, shall be transferred by the Company to the Demat Account of IEPFA. Upon transfer of such shares, all benefits (like bonus, etc.), if any, accruing on such shares shall also be credited to the Demat Account of IEPFA and the voting rights on such shares shall remain frozen till the rightful owner claims the shares. Shares which are transferred to the Demat Account of IEPFA can be claimed back by the shareholder from IEPFA by following the procedure prescribed under the aforesaid rules. Details of shares transferred to the Demat Account of IEPFA have been uploaded by the Company on its website at [www.creativenewtech.com](http://www.creativenewtech.com). Shareholders may kindly check the same and claim back their shares. Therefore, it is in the interest of shareholders to regularly claim the dividends declared by the Company.

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 their PAN to their DPs with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company's RTA. You are also requested to update your Bank details by writing to the Company's RTA.

11 SEBI Notification No. SEBI/LAD-NRO/GN/2018/24 dated June 08, 2018 and further amendment vide Notification No. SEBI/LAD-NRO/GN/2018/49 dated November 30, 2018 requests for effecting transfer of securities (except in case of transmission or transposition of securities) shall not be processed from April 01, 2019 unless the securities are held in dematerialized form with the depositories. Therefore, shareholders are requested to take action to dematerialize the equity shares of the Company.

12 Members are requested to send in their queries at least a week in advance to Mr. Tejas Doshi, Chief Financial Officer & Company Secretary, on [cs@creativenewtech.com](mailto:cs@creativenewtech.com) or post it to the Registered Office of the Company to facilitate clarifications during the meeting.

13 Pursuant to the provisions of Section 108 and all other applicable provisions of the Act read with the Companies (Management and Administration) Rules, 2014, as amended and Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the Company is pleased to provide e-voting facility to all its members, to enable them to cast their votes electronically and has engaged the services of Bigshare Services Private Limited as the agency to provide e-voting facility. Instructions for the process to be followed for e-voting are annexed with this Annual Report.

- 14 During the voting period, members can login to Bigshare's voting platform any number of times till they have voted on all the resolutions. Once the vote on resolutions cast by a member, whether partially or otherwise, the member shall not be allowed to change it subsequently or cast the vote again.
- 15 The e-voting period commences on Friday, September 22, 2023 at 9:00 a.m. (IST) and ends on Sunday, September 24, 2023 at 5:00 p.m. (IST). During this period, members of the Company, holding shares either in physical or dematerialised form, as on the cut-off date, that is, Monday, September 18, 2023, may cast their vote electronically.
- 16 Members attending the AGM through VC shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
- 17 Members who have not registered their e-mail addresses are requested to register the same with the Company's Registrars and Transfer Agents / Depository Participant(s) for sending future communication(s) in electronic form.
- 18 A member need not use all his / her / its votes nor does he / she / it need to cast all his / her / its votes in the same way.
- 19 M/s Satyajit Mishra & Co., Practising Company Secretary, (Membership No. FCS 5759, CP No. 4997) have been appointed as the Scrutiniser to scrutinise the voting process in a fair and transparent manner.
- 20 The Scrutiniser shall, immediately after the conclusion of voting at the general meeting, first count the votes cast at the meeting, in the presence of at least two witnesses not in the employment of the Company and make, not later than 48 hours of conclusion of the meeting, a Scrutiniser's Report of the total votes cast in favour or against, if any, to the Chairman of the Company who shall countersign the same.
- 21 The resolutions will be deemed to be passed on the AGM date subject to receipt of the requisite numbers of votes in favour of the resolutions.
- 22 The results declared along with the Scrutiniser's Report shall be placed on the Company's website [www.ecreativeindia.com](http://www.ecreativeindia.com) after same has been communicated to the NSE.
- 23 Since the AGM will be held through VC / OAVM, the Route Map is not required to be annexed in this Notice.



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

## Item No. 4 –

### **Approval for Related Party Transactions:**

Secured Connection Limited, a subsidiary company duly incorporated and registered in Hong Kong, holds the prestigious Brand License for Honeywell products, enabling the company to engage in the distribution of these renowned products. As a significant facilitator within the industry, Secured Connection Limited, Hong Kong, plays a pivotal role in the distribution network that spans across Hong Kong, South East Asia, and Pacific Countries. The core operational principle guiding transactions with Secured Connection Limited revolves around aligning the pricing of goods with the prevailing rates of Honeywell products.

In the upcoming financial year of 2023-24, the potential magnitude of the proposed transactions under consideration is noteworthy, with a cumulative estimated value that could scale up to Rs. 250 Crores. Such projections underline the strategic significance of these interactions.

According to Section 188 of the Companies Act, 2013, along with the relevant Regulations framed therein, any transaction involving related parties necessitates the prior sanction of the shareholders, to be granted through a routine resolution, if the collective value of the said transactions surpasses 10% of the company's annual turnover, as per the most recently audited financial statements.

Hence, it is imperative to solicit the approval of the shareholders for the impending Related Party Transaction(s) envisioned to be executed by the company with Secured Connection Limited, Hong Kong, during the course of the financial year 2023-24. In accordance with Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014, as amended up to the present date, the comprehensive details pertaining to the transaction(s) with Secured Connection Limited (Hong Kong) are outlined as follows:

Secured Connection Limited (Hong Kong) are outlined as follows:

Sr. No.	Particulars	Remarks
1.	Name of the Related Party	Secured Connection Limited
2.	Country of the Related Party	Hong Kong
3.	Nature of Relationship	Subsidiary Company (possessing 52.48% equity stake)
4.	Name of the Director or KMP who is related	Mr. Ketan Patel
5.	Nature, material terms, monetary value and particulars of the contract or arrangement	The engagement entails a contractual commitment for the continuous acquisition and sale of goods. The anticipated cumulative financial worth of the proposed transaction(s) during the financial year 2023-24 is projected at Rs. 250 Crores.

It is noteworthy that none of the company's Directors, Key Managerial Personnel, or their respective kin, except for the instance mentioned above, possess any vested financial or non-financial interests associated with this resolution.

In light of these circumstances, the Board unequivocally recommends the approval of the Ordinary Resolution(s) stipulated in item number 4 of the Notice, with a view to securing the consent of the esteemed members.

#### **Item No. 5 –**

##### **Revision of Remuneration of Mr. Ketan Patel (DIN 00127633) Chairman and Managing Director of the Company:**

Mr. Ketan C Patel, along with his wife Mrs. Purvi Patel, established Creative Peripherals in 1992. He brings a wealth of expertise in various domains such as business development, strategic planning, product marketing, key account management, team leadership, sales management, entrepreneurship, and competitive analysis.

Educated in engineering and holding an MBA degree from IIM Bangalore, Mr. Ketan Patel stands as a seasoned entrepreneur with a receptive attitude towards innovative ideas. His enduring commitment to advancing both the company and its personnel is a testament to his visionary leadership.

Boasting an impressive career spanning over 30 years, Mr. Ketan Patel is the driving force behind the company's entrepreneurial spirit and strategic foresight. Under his guidance, Creative Newtech has evolved into a leading Value-Added Distribution firm and a pioneer in introducing new brands to the market. The company has made its mark across PAN India and represents an impressive portfolio of 25 global brands.

Mr. Ketan Patel's impact extends beyond the boardroom; he has pioneered innovative initiatives and practices in the electronics and IT distribution sector. His forward-thinking approach has solidified enduring relationships with influential IT, Imaging, Lifestyle, and Telecom brands in the industry.

A statement containing required information as per section II of Part II of Schedule V of the Companies Act, 2013 is attached as Annexure I.

No person, as specified under Section 102(1)(a) of the Act, other than Mr. Ketan Patel and Mrs. Purvi Patel is in any way concerned or interested in this Resolution proposed to be passed.

Thus, The Board recommends the Ordinary Resolution(s) set forth at item no. 5 of the Notice for the approval of the members.

#### **Item No. 6 –**

##### **Revision of Remuneration of Mrs. Purvi Patel (DIN 02663240) Whole-time Director of the Company:**

Mrs. Purvi Patel stands as the esteemed co-founder of Creative Newtech, partnering alongside her husband, Mr. Ketan Patel. With a remarkable tenure of over 29 years, her close association with the company and its clientele has been both comprehensive and enduring.

Her academic achievements include certifications in software programming, as well as a Diploma in Pharmacy, showcasing her multifaceted interests. Mrs. Purvi Patel's remarkable contribution encompasses diverse responsibilities, including the oversight of working capital, as well as leadership roles in HR/Administration and Logistics. Furthermore, she plays a pivotal role in product design, conceptualization, process establishment, and public relations activities.

Mrs. Purvi Patel's unwavering commitment and substantial contributions render her the cornerstone of the company's foundation. Her visionary involvement has been instrumental in shaping Creative Newtech's growth and development over the years.

A statement containing required information as per section II of Part II of Schedule V of the Companies Act, 2013 is attached as Annexure I.

No person, as specified under Section 102 (1)(a) of the Act, other than Mrs. Purvi Patel and Mr. Ketan Patel is in any way concerned or interested in this Resolution proposed to be passed.

Thus, The Board recommends the Ordinary Resolution(s) set forth at item no. 6 of the Notice for the approval of the members.

#### **Item No. 7 –**

#### **Revision of Remuneration of Mr. Vijay Advani (DIN 02009626) Whole-time Director of the Company:**

Mr. Vijay Advani has been an integral part of Creative Newtech since 2006. His prior association with General Electronics adds to his extensive experience of over 35+ years in the industry. In his journey, he has significantly contributed to the company's growth and success.

Leading the entire sales division, Mr. Vijay Advani's role is pivotal. Armed with a Commerce degree, he has showcased his prowess as the Sales Director of Creative Newtech for over a decade and a half. During this time, he has successfully steered numerous new IT brands entering the Indian market towards exceptional achievements. His exceptional abilities in business planning, execution, and key account management have been the cornerstones of this accomplishment.

Under Mr. Vijay Advani's guidance, several previously unknown IT brands have flourished in the Indian market. His dedication and focus remain unparalleled, continually driving the company's progress forward.

A statement containing required information as per Regulation 36 of SEBI Listing Regulations and Section II of Part II of Schedule V of the Companies Act, 2013 is attached as Annexure I.

No person, as specified under Section 102 (1)(a) of the Act, other than Mr Vijay Advani, is in any way concerned or interested in this Resolution proposed to be passed.

Thus, The Board recommends the Ordinary Resolution(s) set forth at item no. 7 of the Notice for the approval of the members.

**By order of the Board of Directors  
Creative Newtech Limited**



**Tejas Doshi  
Chief Compliance Officer and Company Secretary  
ACS - 30828**

**Date: August 10, 2023**

**Place: Mumbai**

**A statement containing required information as per section II of Part II of Schedule V of the Companies Act, 2013**

General Information:			
i. Nature of Industry	Pan India Distributor of I.T., Imaging, Lifestyle and Security of world-renowned brand products.		
ii. Date of commencement of Commercial production:	This clause is not applicable as the Company is currently having distribution segment only. The date of incorporation of Company is 22/09/2004.		
Information about the appointee:	Mr. Ketan Patel	Mrs. Purvi Patel	Mr. Vijay Advani
<b>i.</b> Background details:	Mr. Ketan Patel is the Promoter and Managing Director of our Company. He has been the Director of the Company since incorporation and is also one of the subscribers of MOA of our Company. He holds a diploma in Computer Technology from Board of Technical Examinations, Maharashtra State, degree in Management Programme for Entrepreneurs and Family Businesses from Indian Institute of Management, Bangalore. He has an experience of about more than 29 years in Value Added Distribution industry.	Mrs. Purvi Patel is the Whole Time Director of our Company. She has been designated as Whole Time Director of our Company with effect from February 28, 2017. She holds Diploma in Pharmacy. She also has various certificates in software programming, including DTP. She is the backbone and an integral part of the Company.	Mr. Vijay Advani is the Whole-time Director of our Company. He has been designated as Whole Time Director of our Company with effect from February 28, 2017. He holds a degree in Bachelor of Commerce from University of Bombay. Under his supervision many brands have been prosperous previously which had no presence in India. He was able to drive various IT brands, which were new entrants in Indian market, to a great success. He has an experience of about more than 15 years in Value Added Distributors Industry.
<b>ii.</b> Date of Birth	01 <sup>st</sup> August, 1970	19 <sup>th</sup> January, 1971	24 <sup>th</sup> January, 1964
<b>iii.</b> Education Qualification	Diploma in Computer Technology	Diploma in Pharmacy	Commerce Graduate
<b>iv.</b> Past remuneration for FY 2022-23:	Rs. 60,53,944 p.a.	Rs. 33,81,208 p.a.	Rs. 42,48,232 p.a.
<b>v.</b> Job profile and suitability:	Entire management and affairs of the Company	Administration, Marketing and Human Resource Management	Business Planning, expansion and execution and key account management
<b>vi.</b> Proposed remuneration for FY 2023-24:	Rs. 80,96,224 p.a.	Rs. 46,82,936 p.a.	Rs. 53,77,996 p.a.
<b>vii.</b> Pecuniary relationship directly/indirectly with the Company or managerial personnel if any:	Husband of Mrs. Purvi Patel – Whole-time Director of Company	Wife of Mr. Ketan Patel – Chairman and Managing Director of Company	No pecuniary relationship directly/indirectly with the Company or any managerial personnel

<b>viii.</b>	The number of meetings of Board attended during the year	Four out of Four Board Meetings 100% Attendance	Four out of Four Board Meetings 100% Attendance	Four out of Four Board Meetings 100% Attendance
<b>ix.</b>	Shareholding in the Company	79,39,520 Equity Shares	59,200 Equity Shares	400 Equity Shares
<b>x.</b>	Other Directorships	1. Secure Connection Private Limited  2. Rinavaa Technologies Private Limited  3. Shilpa Global Private Limited  4. Creative Peripherals and Distribution Limited (Hong Kong Subsidiary Company)  5. Secure Connection Limited (Hong Kong Subsidiary Company)  6. Creative eCommerce Ventures Private Limited	1. Shilpa Global Private Limited  2. Click Retail Private Limited  3. Creative eCommerce Ventures Private Limited	1. Click Retail Private Limited  2. Rinavaa Technologies Private Limited
<b>Other Information:</b>				
<b>i.</b>	Reasons of loss or inadequate profits:	The Company does not have any loss or inadequate profit during the FY 2022-23.		
<b>ii.</b>	Steps taken or proposed to be taken for improvement:	N.A.		
<b>iii.</b>	Expected increase in productivity and profits in measurable terms:	The company is actively engaged in ongoing discussions with significant international brands, aiming to establish enduring partnerships. There is a promising likelihood that the company will secure distribution rights for additional brands in the upcoming fiscal year. This strategic move is anticipated to not only enhance the company's revenue streams but also contribute to a substantial increase in profitability.		

## DIRECTORS' REPORT

To,

The Members,

### CREATIVE NEWTECH LIMITED

The Board of Directors is pleased to present the Nineteenth Annual Report, highlighting the Company's performance for the Financial Year (FY) that concluded on March 31, 2023. This report is accompanied by the Audited Financial Statements.

### FINANCIAL HIGHLIGHTS

The highlights of the Financial Results are:

(Amount in Rs. Lakhs, except EPS)

Particulars	Standalone		Consolidated	
	FY 2022-23	FY 2021-22	FY 2022-23	FY 2021-22
Revenue from Operations	1,34,830.12	93,233.59	1,39,275.86	94,704.47
Other Income	949.59	76.49	949.59	76.49
<b>Total Income</b>	<b>1,35,779.71</b>	<b>93,310.08</b>	<b>1,40,225.45</b>	<b>94,781.16</b>
Total Expenses	1,33,005.24	91,010.59	1,36,810.74	92,275.38
<b>Profit before tax and exceptional items</b>	<b>2,774.47</b>	<b>2,299.49</b>	<b>3,414.71</b>	<b>2,505.78</b>
Exceptional and Extraordinary Item	-	12.57	-	12.57
Tax Expense	689.83	568.30	689.83	568.30
<b>Profit after Tax for the year</b>	<b>2084.64</b>	<b>1,718.62</b>	<b>2,724.88</b>	<b>1,924.91</b>
Total Other Comprehensive Income for the year	0.82	0.82	0.82	0.82
Total Comprehensive Income for the year	2,085.46	1,719.44	2,725.70	1,925.73
Net Profit Attributable to Parent Company	-	-	2,460.21	1,599.38
Net Profit Attributable to Non-controlling Interest	-	-	265.49	326.35
Basic EPS (Rs. per share)	16.54	14.32	19.53	13.32
Diluted EPS (Rs. per share)	16.54	13.85	19.53	12.88

### DIVIDEND

During the reviewed period, the Company extended Dividend payouts to all shareholders at a rate of 5% per share based on face value for the financial year concluding on March 31, 2022. This dividend distribution was approved and endorsed by the members of the Company during the Annual General Meeting convened on September 29, 2022.

Furthermore, acknowledging the Company's financial progress and its promising future prospects, the Board of Directors, during their meeting held on August 10, 2023, has proposed a Final Dividend of 5% per share on the face value for the financial year ended on March 31, 2023. This recommendation will be presented for the consideration and approval of the Members in the forthcoming Annual General Meeting scheduled for the financial year ended on March 31, 2023.

## **DIVIDEND DISTRIBUTION POLICY**

Pursuant to Regulation 43A of the SEBI Listing Regulations, the Company's Board of Directors has embraced a Dividend Distribution Policy ('Policy'). This policy is formulated to uphold principles of equity, uniformity, and enduring viability in the allocation of profits to the shareholders. Detailed insights into the Policy can be obtained from the Company's official website at [www.creativenewtech.com](http://www.creativenewtech.com).

## **TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND**

The provisions of Section 125(2) of the Companies Act, 2013, do not apply as there was no dividend which were unclaimed or unpaid since last seven years.

## **TRANSFER TO GENERAL RESERVE**

The whole profit after tax has been transferred to reserves and surplus - other equity.

## **SHARE CAPITAL**

During the year, on 09<sup>th</sup> August 2023, with approval of Share Allotment Committee of the Company, 600,000 Fully Convertible Warrants of Rs. 10/- each had been converted into 6,00,000 Equity Shares of Rs. 10/- each.

With the above change, the paid up share capital of the Company as on 31<sup>st</sup> March 2023, stands at Rs. 12,60,00,000/- having 1,26,00,000 Equity shares of Rs. 10/- each.

## **DEPOSITORY SYSTEM**

The Company has established agreements with both the National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL) to facilitate shareholders in maintaining shares in dematerialized form. Additionally, the Company extends the convenience of concurrent dematerialization for physical shares submitted for transfer.

## **DIRECTORS AND KEY MANAGERIAL PERSONNEL**

The Board consists of Executive and Non-executive Directors including Independent Directors along with Key Managerial Personnel who have vast experience in the core business activity of the Company. The composition of the Board is in consonance with Corporate Governance norm specified in the SEBI Regulations with the Stock Exchange.

Pursuant to the recommendations of the Nomination and Remuneration Committee ('NRC'), the Board of Directors made the following appointments during the year under review in accordance with the Company's Articles of Association and Section 149, 161(1) and Section 196 of the Act:

1. Appointment of Ms. Prachi Jain (DIN 09691107) as a Non Executive Independent Director for a period of 5 (five) consecutive years effective from 29<sup>th</sup> July 2022.
2. Re-appointment of Mr. Mihir Shah (DIN: 08000853) as a Non-Executive Independent Director of the Company for a second term of 5(five) consecutive years effective from 29<sup>th</sup> July 2022.

The aforesaid appointments were also approved by the members of the Company with requisite majority through resolution passed in the Annual General Meeting held on September 29, 2022.

In accordance with the provisions of Section 152 of the Act and the Articles of Association of the Company, Mrs. Purvi Patel (DIN 02663240) Whole-time Director of the Company, retires by rotation at the ensuing AGM and being eligible, has offered herself for re-appointment.

Further, during the year under review, there is no change in the key managerial personnel of the Company and Tejas Doshi, Chief Compliance Officer and Company Secretary and Mr. Abhijit Kanvinde, Chief Financial Officer are key managerial personnel of the Company.

Remuneration paid to Executive Directors & KMPs are mentioned in Corporate Governance Report annexed with this Directors' Report.

In terms of Section 149 of the Act, Mr. Kurian Chandy, Mr. Suresh Bhagavatula, Mr. Mihir Shah and Ms. Prachi Jain are the Independent Directors of the Company. The Company has received declarations from all the Independent Directors confirming that they meet the criteria of independence as prescribed under Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI Listing Regulations and are independent of the management. In terms of Regulation 25(8) of the SEBI Listing Regulations, they have confirmed that they are not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgement and without any external influence.

The Board of Directors of the Company has taken on record the declaration and confirmation submitted by the Independent Directors. Independent Directors are not liable to retire by rotation in terms of Section 149(13) of the Act. The Board is of the opinion that the Independent Directors of the Company possess requisite qualifications, experience and expertise in the fields of science and technology, banking, treasury operations, risk management, legal, digitalization, strategy, finance, governance, human resources, safety, sustainability, etc. and that they hold highest standards of integrity.

The Independent Directors of the Company have confirmed that they have enrolled themselves in the Independent Directors' Databank maintained with the Indian Institute of Corporate Affairs ('IICA') in terms of Section 150 of the Act read with Rule 6 of the Companies (Appointment & Qualification of Directors) Rules, 2014.

## **BOARD MEETINGS**

During the year, Four Meetings of Board of Directors were convened and held and details of which are given in the Corporate Governance Report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015.

## **AUDIT COMMITTEE**

During the year, Four Meetings of Audit Committee were convened and held and details of which are given in the Corporate Governance Report. Your directors ensures that Audit Committee meets regularly to review reports, including significant audit observations and follow-up actions thereon. During the year under review, there were no instances when the recommendations of the Audit Committee were not accepted by the Board.



## **NOMINATION AND REMUNERATION COMMITTEE**

During the year, Two Meetings of Nomination and Remuneration Committee was convened and held and details of which are given in the Corporate Governance Report. Your directors ensures that the Company follows a Policy on Remuneration of Directors and Senior Management Employees. The policy shall be approved by the Nomination & Remuneration Committee and the Board. The main objective of the said policy is to ensure that the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate the Directors, KMP and Senior Management employees.

The policy of the Company on Director's appointment and remuneration is uploaded on to the Company's website and the same is available at <http://creativenewtech.com/>

## **STAKEHOLDERS' RELATIONSHIP COMMITTEE**

During the year, One Meeting of Stakeholders' Relationship Committee was convened and held and details of which are given in the Corporate Governance Report. The role of the Committee is explained in detail in the Corporate Governance Report enclosed herewith. During the year, under review, Company has complied with all compliances as mandated by various government authorities and Company has not received any complaint from its Investor or shareholders or any individuals.

## **DIRECTORS' RESPONSIBILITY STATEMENT**

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statements in accordance with the provisions of Section 134(3)(c) and 134(5) of the Companies Act, 2013:

1. That in preparation of the Annual Accounts for the year ended March 31, 2023, the applicable accounting standards had been followed along with proper explanation relating to material departures, if any;
2. That the directors had selected such accounting policies and applied consistently and made judgments and estimates that were reasonable and prudent so as to give true and fair view of the state of affairs of the Company at the end of the financial year ended March 31, 2023 and the profits of the Company for the year under review;
3. That proper and sufficient care has been taken for the maintenance of adequate accounting records for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
4. That the annual accounts for the year ended March 31, 2023, have been prepared on a 'going concern basis.'
5. That proper internal financial controls were in place and that such internal financial controls are adequate and were operating effectively.
6. That proper systems to ensure compliance with the provisions of all applicable laws were in place and that such systems were adequate and operating effectively.

## **STATUTORY AUDITORS**

As per Section 139 of the Act read with the Companies (Audit and Auditors) Rule, 2014, the members of the Company in its 15<sup>th</sup> Annual General Meeting held on 23<sup>rd</sup> September, 2019, approved the appointment of M/s Gupta Raj & Co., Chartered Accountants (ICAI Registration No.001687N) as the Statutory

Auditors of the Company for a period of 5 years from the conclusion of 15<sup>th</sup> Annual General Meeting till the conclusion of 20<sup>th</sup> Annual General Meeting of the Company.

As per amendment of Companies Act, 2013, read with Notification no. G.S.R. 432(E) dated 7<sup>th</sup> May, 2018 of Ministry of Corporate Affairs, the ratification of appointment of Auditors in every Annual General meeting during term of five years have been dispensed with.

## **SECRETARIAL AUDITORS**

In terms of the provisions of Section 204 of the Act read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors of the Company has appointed M/s. Satyajit Mishra & Co, Company Secretary in Practice (FCS no. 5759, C P No. 4997) as the Secretarial Auditors for conducting Secretarial Audit of your Company for the financial year ended March 31, 2023.

The Secretarial Auditors' Report does not contain any qualification, reservation or adverse mark and therefore, do not call for any further explanation or comments from the Board under Section 134(3) of the Act.

The Company has complied with the Secretarial Standards issued by the Institute of Company Secretaries of India on Board Meetings and Annual General Meetings as notified under Section 118 of the Act.

## **INTERNAL AUDIT AND INTERNAL FINANCIAL CONTROLS**

The Company maintains robust and appropriately tailored internal controls that align with its size and operations, and these controls have remained functional and efficient over the course of the year. The Company has established an Internal Control System that is in accordance with the scope and intricacy of its operations. In addition to the internal audit function conducted in-house, the Company has reinforced its commitment to transparency by appointing M/s Somaiya & Co., Chartered Accountants, Mumbai, as Internal Auditors, as mandated by Section 138 of the Companies Act, 2013. Their role encompasses evaluating the efficacy of the internal control system.

## **MAINTAINENCE OF COST RECORDS**

The Company is not required to maintain cost records pursuant to Section 148 of the Act read with Companies (Cost Records and Audit) Rules, 2014.

## **PARTICULARS OF LOAN, GUARANTEE AND INVESTMENTS**

Elaboration on loans, guarantees issued, and investments made in accordance with Section 186 of the Companies Act, as supplemented by the Companies (Meetings of Board and its Powers) Rules, 2014, as of March 31, 2023, is presented within the Notes accompanying the Standalone Financial Statements of the Company. Notably, no guarantees were extended by the Company during the assessed year.

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

Throughout the financial year, no noteworthy or substantial orders were issued by any regulatory authority, court, or tribunal that bear implications on the Company's operational continuity or its conduct.

## **PREVENTION AND REDRESSAL OF SEXUAL HARASSMENT AT WORK PLACE**

In the course of the year, the Internal Complaints Committee (under the Sexual Harassment Policy) convened and conducted two meetings. The particulars of these meetings are elaborated upon in the Corporate Governance Report. The Company upholds a comprehensive Policy titled "Prevention of Sexual Harassment of Women at Workplace," which encompasses all facets as stipulated within 'The Sexual Harassment of Women at Workplace (Prohibition, Prevention, and Redressal) Act, 2013.' The Board affirms that throughout the reviewed period, no instances were reported or registered under the Sexual Harassment of Women at Workplace (Prevention, Prohibition, and Redressal) Act, 2013.

## **VIGIL MECHANISM**

Pursuant to the provisions of the Act and SEBI Listing Regulations, the Company has in place Whistle Blower Policy to encourage all employees or any other person dealing with the Company to disclose any wrong doing that may adversely impact the Company, the Company's customers, shareholders, employees, investors or the public at large. This policy, inter-alia, also sets forth:

- (i) Procedures for reporting of questionable auditing accounting, internal control and unjust enrichment matters
- (ii) Reporting instances of leak or suspected leak of Unpublished Price Sensitive Information and;
- (iii) An investigative process of reported acts of wrong doing and retaliation from employees, inter-alia, on a confidential and anonymous basis.

The Company remains steadfast in its commitment to uphold the utmost ethical, moral, and legal standards in its business operations. The Vigil Mechanism Policy, which encapsulates these principles, is accessible on the Company's official website at [www.creativenewtech.com](http://www.creativenewtech.com).

Throughout the reviewed year, there were no instances of complaints filed by any Company employee, nor were any issues reported to the Chairman of the Audit Committee pursuant to the Company's Vigil Mechanism and Whistleblower Policy.

## **PERFORMANCE EVALUATION**

In compliance with the provisions of the Act and Regulation 17(10) of the SEBI Listing Regulations, the assessment of the performance of the Board, its committees, and individual Directors for the financial year 2022-23 was conducted internally.

To maintain a heightened level of confidentiality and facilitate a streamlined evaluation process, a structured questionnaire was employed. Each Board member completed the evaluation template, which encompassed aspects related to the efficacy and overall engagement of the Board and its Committees. Parameters included the composition of the entities, execution of specific responsibilities, adequacy and promptness of information flow, depth of discussions during meetings, independence in judgment,

decision-making, management actions, and more. The evaluation templates were formulated in line with the alterations introduced under the SEBI Listing Regulations. Directors were also invited to offer their invaluable insights and recommendations regarding the overall performance of the Board, its committees, and avenues for enhancement.

Additionally, the Independent Directors convened a virtual meeting on February 11, 2023, exclusive of the participation of any other Director or Key Managerial Personnel, to review the performance evaluation of Non-Independent Directors and the entire Board of Directors, including the Chairman. This review took into consideration the perspectives of both Executive and Non-Executive Directors.

The Independent Directors expressed contentment with the overall functioning of the Board, its assorted committees, and the performance of fellow Non-Executive and Executive Directors. They acknowledged the commendable leadership exhibited by the Chairman of the Board in upholding and adhering to the highest standards of corporate governance.

In sum, the Board conveyed its satisfaction with the assessment process, underscoring an elevated level of engagement between the Board, its committees, and the Management.

## **FAMILIARIZATION PROGRAMME**

The orientation program is designed to furnish Independent Directors with a comprehensive understanding of various facets, encompassing the industry landscape, socio-economic context within which the Company functions, the intricacies of the business model, the Company's operational and financial achievements, and noteworthy advancements. The objective of this initiative is to empower Independent Directors to make judicious and timely decisions. Additionally, the program serves as a platform for updating Directors on their roles, obligations, entitlements, and responsibilities under diverse legislations and statutory provisions.

## **HUMAN RESOURCES**

### **A. Employee Relations**

We believe that success of Company depends on the talent and dedication of our employees and we strive to attract, hire, develop and retain outstanding employees. In view of this, we have laid down a comprehensive set of policies aiming at attracting, retaining and motivating employees. We believe significant benefits are realized from having a strong and seasoned management team with many years of experience in technology distribution and related industries. We consider relations with our employees to be good.

### **B. Trade Relations**

The Company maintained healthy, cordial and harmonious industrial relations at all levels. Despite severe competition, the enthusiasm and unstinting efforts of the employees have enabled the Company to remain at the forefront of the industry.

This accord incorporates novel elements such as introducing wide range of products, nurturing healthy competition, giving pocket friendly credit cycles, timely clearance of dues, easy accessibility to product heads, etc. Your Company will continue in its endeavour to build and nurture strong links with trade allies, based on mutuality, respect and co-operation with each other and with consistent

consumer interest.

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

The information pertaining to conservation of energy, technology absorption, foreign exchange earnings and outgo, as required under the Companies Act, 2013, read with the Companies (Accounts) Rules, 2014 is given hereunder:

### **A. Conservation of energy**

Your Company is primarily engaged in Marketing and Trading activities and has not consumed energy of any significant level and hence no additional investment is required to be made for reduction of energy consumption. However, the Company will continue with its efforts to conserve the energy.

### **B. Technology absorption**

The Company's operations do not require significant absorption of technology.

## **HUMAN RESOURCES**

Your Company continues to be assured by competence and commitment of the people.

The working climate of your Company continues to remain harmonious with focus on improving Productivity, Quality and Safety. Health and Safety of the employees and our associates we work with remains as our paramount importance. Your Company ensures that operations are carried out as per the safety guidelines and procedures in place which are regularly updated. The Company has 300+ employees as on March 31, 2023.

Efforts are continuously made to strengthen organizational culture in order to attract and retain best talent in the industry. The Board appreciates the commitment and support of the employees and look forward to their continued support.

## **INTERNAL FINANCIAL CONTROLS RELATED TO THE FINANCIAL STATEMENTS**

The Company had adequate Internal Financial Controls which is commensurate to the size and business of the Company and is designed to provide reliable financial information. It provides reasonable assurance with respect to preparation of financial statements in compliance with the Acts, Rules and Regulations as applicable including Indian Accounting Standards and also reliability of financial reporting. The controls also provide assurance that the expenditures are made in accordance with the authority given to the management of the Company duly approved by the Directors of the Company.

These controls are reviewed by the management and key areas are subject to various statutory, internal and operational audits based on periodic risk assessment. The findings of the audits are discussed with the management and key findings are presented before the Audit Committee and Board of Directors for review of actionable items. The review of the IFC, inter-alia, consists of the three components of internal controls, viz., Entity level controls, Key financial reporting controls and Internal controls in operational areas.

In addition, the Internal Auditor monitors and evaluates the efficiency and adequacy of the internal control system in the Company, its compliance with operating systems, accounting and procurement procedures and respective policies. Periodical control report on the same is presented and discussed

with the Audit Committee.

Conscious efforts are in place on a continuous basis to ensure that all the assets are safeguarded and protected against loss from unauthorized use and disposal and that all transactions are authorized, recorded and financial statements show a true and fair picture of the state of affairs of the Company. Compliance is in place as regards to applicable statutory and regulatory requirements.

The internal control systems of the Company are monitored and evaluated by Internal and Statutory Auditors and reviewed by Management. Internal Auditors of the Company independently reports key findings on the internal control systems to the Audit Committee

## **OTHER POLICIES UNDER SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015**

In accordance with the provisions of Regulations 30 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, the Company has formed policy for determination of materiality for disclosures of events or information. The same has been hosted on the website of the Company at the [www.creativenewtech.com](http://www.creativenewtech.com).

## **MATERIAL CHANGES AND COMMITMENTS**

No material changes have taken Place affecting the financial position of the Company from the date of closure of financial year till the date of signing of this report.

## **DEPOSITS FROM PUBLIC**

The Company has not accepted any deposits from public and as such, no amount on account of principal or interest on deposits from public was outstanding as on the date of the balance sheet.

## **EXTRACT OF THE ANNUAL RETURN**

In accordance with Section 134 (3) (a) and as provided under subsection (3) of Section 92 of the Companies Act, 2013. The Annual Return as on March 31, 2023 is available on the Company's website on [www.creativenewtech.com](http://www.creativenewtech.com).

## **RELATED PARTY TRANSACTIONS**

All related party transactions that were entered into during the financial year were in the ordinary course of the business and on an arm's length basis. The Company has entered into material contracts or arrangements or transactions with related parties in accordance with Section 188 of the Act read with the Companies (Meetings of Board and its Powers) Rules, 2014 and SEBI Listing Regulations.

There were materially significant Related Party Transactions made by the Company during the year that required shareholders' approval under the SEBI Listing Regulations. The Related Party Transactions are placed before the Audit Committee for prior approval, as required under applicable law. Only those members of the Audit Committee who were Independent Directors approved the same. A statement of all Related Party Transactions is placed before the Audit Committee for its review on a quarterly

basis, specifying the nature and value of the transactions. The Internal Auditors and Statutory Auditors of the company also confirm compliance of Related Party Transactions at quarterly Audit Committee meeting(s) of the Company.

The Company has adopted a policy on materiality of Related Party Transactions. The policy as approved by the Audit Committee and the Board of Directors is uploaded on the website of the Company [www.creativenewtech.com](http://www.creativenewtech.com).

The disclosures on Related Party Transactions pursuant to Regulation 34(3) of SEBI Listing Regulations read with Schedule V thereto are set out in Notes of the Standalone and Consolidated financial statements of the Company.

The Form AOC-2 envisages disclosure of material contracts or arrangements or transactions at arm's length basis. The details of the material related party transactions on-going and entered during FY 2023, as per the Policy on dealing with related parties adopted by the Company and regulatory requirements are disclosed in **Annexure - A** to this Report.

## **MANAGEMENT DISCUSSION AND ANALYSIS**

A Management Discussion and Analysis as required under the Regulation 34(2)(e) of SEBI (Listing Obligations and Disclosure Requirements) Regulation is annexed herewith as **Annexure - B** and forms part of the Boards' Report.

## **SECRETARIAL AUDIT**

The Board of Directors have appointed M/s. Satyajit Mishra & Co., Practising Company Secretary, Mumbai, to conduct Secretarial Audit for the financial year 2022-23 under Section 204 of the Companies Act, 2013 and as part of good corporate governance and transparency. The Secretarial Audit Report in form MR-3, for the financial year 2022-23, forms part of the Directors' Report as **Annexure - C**. Further the Comments on the Secretarial Audit Reports are self-explanatory.

## **CORPORATE GOVERNANCE**

A separate report on Corporate Governance is provided together with the Certificate from the Practising Company Secretary confirming compliance of conditions of Corporate Governance as stipulated under the SEBI Listing Regulations is attached separately as **Annexure - D** and forms part of this Annual Report.

## **SUBSIDIARY COMPANIES**

Your Company has 3 Subsidiary Companies, Two are based at Hong Kong, namely Creative Peripherals and Distribution Limited (100% wholly owned Subsidiary) and Secure Connection Limited (52.50 % Investment) and One is based at India, namely Creative eCommerce Ventures Private Limited (100% wholly owned Subsidiary).

A statement containing salient features of the subsidiary in the prescribed format of (Form AOC-1) is annexed and marked as **Annexure - E**.

## **CORPORATE SOCIAL RESPONSIBILITY**

Your Company has the policy of giving back to the society and has carried a host of CSR activities this year. In line with the requirement of Section 135 of the Companies Act, 2013, your Company having a Corporate Social Responsibility Committee. The details of Committee are provided in Corporate Governance Report. The CSR Policy of the Company is available on its website at [www.creativenewtech.com](http://www.creativenewtech.com).

During the year, the Company has spent Rs. 33,50,000/- on CSR activities as annexed herewith **Annexure – F** to this report. A detailed discussion on CSR Projects and initiatives are included as a separate section in the Annual Report.

## **GREEN INITIATIVE**

The Ministry of Corporate Affairs ('MCA') has taken a Green Initiative in Corporate Governance by permitting electronic mode for service of documents to members after considering relevant provisions of the Information Technology Act, 2000 and Act and Rules made thereunder.

Pursuant to provisions of Act, service of documents to Members can be made by electronic mode on the email address provided for the purpose of communication. If a member has not registered an email address, other permitted modes of service would continue to be applicable.

Your Company sincerely appreciates members who have contributed towards furtherance of Green Initiative. We further appeal to other Members to contribute towards furtherance of Green Initiative by opting for electronic communication.

Members who have not provided their email address will continue to receive communications, dissemination, notice(s), documents etc. via permitted mode of service of documents. Further, the members who request for physical copies, will be provided the same.

## **OTHER DISCLOSURES**

Your directors state that no disclosure or reporting is required in respect of the following items as there were no transactions for the same during the year under review:

- i. The details of application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 during the year along with their status as on March 31, 2023.
- ii. The details of difference between the amount of the valuation done at the time of one-time settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof.
- iii. No disclosure is required under Section 62(1)(b) of the Act in respect of Employee Stock Option Scheme as the provisions of the said section read with Rule made thereunder are not applicable.
- iv. No disclosure is required under Section 67(3)(c) of the Act in respect of voting rights not exercised directly by the employees of the Company as the provisions of the said section are not applicable.

## **APPRECIATION**


Your directors are thankful to the Vendors, Customers, Bankers, National Stock Exchange, Registrar and Transfer Agent, Merchant Bankers, Depositories, Central and State governments together with



their departments, the local authorities for their continued guidance, support and co-operation. Your Company has been able to operate efficiently because of the culture of professionalism, creativity, integrity and continuous improvement in all functions and areas as well as the efficient utilisation of the Company's resources for sustainable and profitable growth. To them goes the credit for all of the Company's achievements.

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

**For and on behalf of the Board of Directors  
Creative Newtech Limited**

A handwritten signature in black ink that reads "Ketan Patel" with a horizontal line underneath the name.

**Ketan Patel  
Chairman & Managing Director  
DIN 00127633**

**Date: August 10, 2023**

**Place: Mumbai**

## Annexure – A Form No. AOC-2

As on the financial year ended on 31<sup>st</sup> March, 2023

(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 the Companies Act, 2013, including arms' length transactions under third proviso thereto:

### 1. Details of material contracts or arrangement or transactions NOT at arm's length basis :

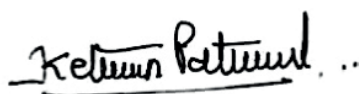
Sr. No.	Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts / arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Justification for entering into such contracts / arrangements / transactions	Date(s) of approval by the Board	Amount paid as advances	Date on which special resolution was passed in General meeting
1	NIL	NA	NA	NA	NA	NA	NA	NA

### 2. Details of material contracts or arrangements or transactions at arm's length basis: (Rs. in Lakhs)

Sr. No.	Name of the related party and nature of relationship	Nature of contracts / arrangements / transactions	Duration of contracts / arrangements / transactions	Salient features of contracts / arrangements / transactions, including value, if any (Rs. in Lakhs)	Date(s) of approval by the Board / Audit Committee	Amount paid as advances, if any
1.	Mr. Ketan Patel (Chairman and Managing Director)	Remuneration Paid	On such Terms and Conditions and amount as may be decided by the Board of Directors	60.54	20 <sup>th</sup> May 2022	NA
		Interest Paid		47.27	20 <sup>th</sup> May 2022	NA
		Dividend		39.70	29 <sup>th</sup> July 2022	
2.	Mr. Vijay Advani (Whole-time Director)	Remuneration Paid	On such Terms and Conditions and amount as may be decided by the Board of Directors	42.48	20 <sup>th</sup> May 2022	NA
		Interest Paid		1.44	20 <sup>th</sup> May 2022	NA
3.	Mrs. Purvi Patel (Whole-time Director)	Remuneration Paid	On such Terms and Conditions and amount as may be decided by the Board of Directors	33.81	20 <sup>th</sup> May 2022	NA
		Dividend		0.30	29 <sup>th</sup> July 2022	

4.	Mr. Abhijit Kanvinde (Chief Financial Officer)	Remuneration Paid	On such Terms and Conditions and amount as may be decided by the Board of Directors	34.30	20 <sup>th</sup> May 2022	NA
5.	Mr. Tejas Doshi (Company Secretary and Compliance Officer)	Remuneration Paid	On such Terms and Conditions and amount as may be decided by the Board of Directors	23.00	20 <sup>th</sup> May 2022	NA
6.	Ms. Nidhi Patel (Relative of Director)	Salary	On such Terms and Conditions and amount as may be decided by the Board of Directors	15.94	20 <sup>th</sup> May 2022	NA
7.	Secure Connection Limited (Hong Kong) (Subsidiary company at Hong Kong)	Purchases	On such Terms and Conditions and amount as may be decided by the Board of Directors	1,639.10	20 <sup>th</sup> May 2022	NA
		Sales		7.98	20 <sup>th</sup> May 2022	NA
8.	Secure Connection Private Limited (Entity over which Key Managerial Persons have significant influence / control)	Purchases	On such Terms and Conditions and amount as may be decided by the Board of Directors	170.15	20 <sup>th</sup> May 2022	NA
		Sales		48.35	20 <sup>th</sup> May 2022	NA
9.	Bittech Services (Entity over which Key Managerial Persons have significant influence / control)	Purchases	On such Terms and Conditions and amount as may be decided by the Board of Directors	8.02	20 <sup>th</sup> May 2022	NA
		Sales		6.17	20 <sup>th</sup> May 2022	NA
10.	Click Retail Private Limited (Entity over which Key Managerial Persons have significant influence / control)	Sales	On such Terms and Conditions and amount as may be decided by the Board of Directors	166.89	20 <sup>th</sup> May 2022	NA

**For and on behalf of the Board of Directors  
Creative Newtech Limited**



**Ketan Patel  
Chairman & Managing Director  
DIN 00127633**

**Date: August 10, 2023  
Place: Mumbai**

## **Annexure – B MANAGEMENT DISCUSSION AND ANALYSIS**

### **Forward looking statement**

Statements in this Management Discussion and Analysis of Financial Condition and Results of Operations of the Company describing the Company's objectives, expectations or predictions may be forward looking within the meaning of applicable securities laws and regulations. Forward looking statements are based on certain assumptions and expectations of future events.

The Company cannot guarantee that these assumptions and expectations are accurate or will be realized. The Company assumes no responsibility to publicly amend, modify or revise forward looking statements, on the basis of any subsequent developments, information or events. Actual results may differ materially from those expressed in the statement. Important factors that could influence the Company's operations include changes in government regulations, tax laws, economic developments within the country and such other factors globally.

The financial statements are prepared under historical cost convention, on accrual basis of accounting, and in accordance with the provisions of the Companies Act, 2013 (the Act) and comply with the Indian Accounting Standards as pronounced by the Institute of Chartered Accountants of India (ICAI) from time to time. The Management of Creative Newtech Limited has used estimates and judgments relating to the financial statements on a prudent and reasonable basis, in order that the financial statements, reflect in a true and fair manner, the state of affairs and profit for the year.

The following discussions on our financial condition and result of operations should be read together with our audited financial statements and the notes to these statements included in the annual report. Unless otherwise specified or the context otherwise requires, all references herein to "we", "us", "our", "the Company", "Creative" are to "Creative Newtech Limited".

## **INDUSTRY OVERVIEW**

### **Global Industry Overview**

The IT industry is experiencing constant development, and new trends are emerging year after year, making the market one of the most significantly growing markets in the technology industry. Revenue in the IT Services market is projected to reach US\$1,204.00bn in 2023. The largest market within IT Services is IT Outsourcing with a projected market volume of US\$430.50bn in 2023. Revenue is expected to show an annual growth rate (CAGR 2023-2027) of 6.86%, resulting in a market volume of US\$1,570.00bn by 2027. The average Spend per Employee in the IT Services market is projected to reach US\$345.50 in 2023. In global comparison, most revenue will be generated in the United States (US\$440.20bn in 2023).

Accelerated by the COVID-19 pandemic, many organizations have recognized the need for digital adoption in their business activities (e.g., remote work support, software support, and data security). In order to embrace new technological solutions in a fast, modern, and innovative way, more companies are likely to use external support. Cloud technology will continue to expand and gradually become a foundation of digital transformation. The increasing demand for cloud services and infrastructure upgrading activities is significantly driving the demand for managed IT services across the emerging market. This is the reason why the growth rate of IT services has been on a growth trajectory since 2021. With ongoing digital transformation and automated business processes, the global IT Services market is expected to reach approximately US\$1,570 billion in 2027.

Sources: <https://www.statista.com/outlook/tmo/it-services/worldwide#analyst-opinion>

## Indian Industry Overview

The IT Sector has become one of the most significant growth catalysts for the Indian economy, contributing significantly to the country's GDP and public welfare. The IT industry accounted for 7.4% of India's GDP in FY22, and it is expected to contribute 10% to India's GDP by 2025.

As innovative digital applications permeate sector after sector, India is now prepared for the next phase of growth in its IT revolution. India is viewed by the rest of the world as having one of the largest Internet user bases and the cheapest Internet rates, with 76 crore citizens now having access to the internet.

According to National Association of Software and Service Companies (Nasscom), the Indian IT industry's revenue touched US\$ 227 billion in FY22, a 15.5% YoY growth. Indian software product industry is expected to reach US\$ 100 billion by 2025. Indian companies are focusing on investing internationally to expand their global footprint and enhance their global delivery centres. The data annotation market in India stood at US\$ 250 million in FY20, of which the US market contributed 60% to the overall value. The market is expected to reach US\$ 7 billion by 2030 due to accelerated domestic demand for AI.

India is one of the countries with the quickest pace of digital adoption. This was accomplished through a mix of government action, commercial innovation and investment, and new digital applications that are already improving and permeating a variety of activities and different forms of work, thus having a positive impact on the daily lives of citizens. The IT industry added 4.45 lakh new employees in FY22, bringing the total employment in the sector to 50 lakh employees.

Sources – <https://www.ibef.org/industry/information-technology-india>

## B2B eCommerce

Being one of the biggest economies in the world, India is set to be the next big market for B2B e-commerce, with large entrepreneurs pouring in resources to leverage it. During the pandemic, conventional supply chains that served Indian businesses were disrupted. Access to capital and financing became extremely difficult, giving opportunities to B2B e-commerce players to step in and help enterprises that were running out of raw materials and industrial products.

The digital transformation of organizations, including corporations, financial institutions, hospitals, small businesses, government, and others, has been attributed to the B2B industry's present success in India. Every startup is adding efficiency to the B2B supply chain, leveraging rich data and automated processes.

In recent years, India's expanding digital penetration has made e-commerce a particularly profitable retail choice for enterprises across the nation. As a result, India is a key trading hub for companies looking to explore import, export, and local selling prospects in the area. With a turnover of US\$ 50 billion in 2020, India became the eighth-largest market for e-commerce, trailing France, and a position ahead of Canada. Propelled by rising smartphone penetration, the launch of 5G network and increasing consumer wealth, the Indian E-commerce market is expected to grow to US\$ 200 billion by 2026. According to a report published by IAMAI and Kantar Research, India's internet users are expected to reach 900 million by 2025 from ~622 million internet users in 2020, increasing at a CAGR of 45% until 2025.

Moreover, the government is also supporting this sector through various policies. 100% FDI is allowed in B2B eCommerce. Going forward, B2B eCommerce is likely to be the preferred model for most supply chain players, especially in the IT sector.

Source: <https://www.ibef.org/industry/ecommerce.aspx>  
<https://seller.alibaba.com/businessblogs/px001ual5-a-guide-to-b2b-e-commerce-in-india>

## Indian Licensing Industry

Licensing is one of the most powerful business models for brand expansion and Indian organizations are finally coming to accept the fact. While at a nascent stage, the nation's licensing landscape is slowly evolving, thanks to the better implementation of law and development of the pro-innovation ecosystem. With the world becoming a global village, the licensing business has the capability to become a billion-dollar sector in the coming years. India has the opportunity to be at the forefront of this transition if positioned smartly by the enterprise and law.

Indian companies looking to enter licensing agreements bet high on manufacturing. Key drivers of the industry include the changing behavior of Indian consumers, who seek products that align with their interests and passions. The exposure to international media and brands through digital platforms has fostered a desire for globally recognized products.

The manufacturer or service provider that licenses a brand, character, design or another piece of intellectual property encash on the marketing power it brings to the product. It can take hundreds of thousands or millions of dollars to build a brand from scratch and licensing represents a way for a manufacturer to take advantage of all the brand building and image building that has gone on before. The market's going to grow with a lot of investment also flowing in and government policies changing for the better.

People in India and across the globe are looking at various kinds of licenses based on the type of intellectual property and the manner in which they intend to grow their business. These could range from limited licenses, term restricted licenses to white labelling and the likes. Being an evolving space, Licensing promises further development and growth in both the technology market and the user market.

Between components and completed equipment, EMS is the vital connection. To avoid uncertainties and supply chain interruptions, all major OEMs are eager to create alternate suppliers. This should encourage global companies to collaborate with local firms that provide contract manufacturing services for a particular area.

The electronic contract-manufacturing sector in the country is projected to grow by over six-fold to USD 152 billion by 2025. Globally, the electronic manufacturing services (EMS) sector was valued at USD 832 billion in 2019 and is estimated to grow to USD 1,055 billion by 2025. It has the potential to grow from less than 3 per cent of the global industry to about 14 per cent within 5 years. China exports USD 685 billion of electronics to the world. India has set a target of USD 100 billion exports of mobiles alone by 2025, which is possible with the support of the production-linked incentive (PLI) scheme. The Global Brand Licensing Market is projected to grow from USD 274.9 billion in 2022 to USD 385.4 billion by 2027 at a CAGR value of 4.1% from 2022 to 2027.

India is a market with a significant development potential for foreign brands as it becomes a more technologically advanced country. Indian consumer electronics market size is anticipated to expand quickly through 2025, according to industry estimations.

Looking ahead, the Indian licensing industry holds significant promise. Expansion into tier 2 and tier 3 cities offers a new consumer base, while collaborations with local designers, artists, and brands can lead to culturally relevant products. Innovative marketing strategies and localization efforts are expected to engage consumers more effectively. The industry's growth potential remains considerable as brands, entertainment properties, and artists continue to explore licensing opportunities in this dynamic market.

Sources: <https://economictimes.indiatimes.com/industry/cons-products/electronics/electronic-contract-manufacturing-in-india-to-grow-over-6-fold-to-152-bn-by-2025/articleshow/80032751.cms?from=mdr><https://www.grandviewresearch.com/industry-analysis/india-consumer-electronics-market>

<https://www.entrepreneur.com/en-in/growth-strategies/where-is-indias-licensing-industry-heading/332386>

## About Creative Newtech Limited

Established in 1992, Creative Newtech Ltd is a well-established company in India's Information and Communication Technology distribution market. Through a robust network of partners and distribution channels, the Company has made a strong foothold in the IT distribution market in the country. The Company has an omni-channel network across all three channels of online, offline and retail trade.

Creative Newtech specializes in market entry and penetration for global brands. The Company offers demographic intelligence, and enables the formulation and execution of marketing strategies for its clients. In addition to such services, Creative continues to focus on timely delivery, diversification of its product portfolio, sustained long-term relationships with its channel partners, and extending value-added services over and above distribution.

These efforts have enabled the Company to win long running contracts as well as garner accolades in the Industry as amongst the best distributors in India by leading brands. Creative is associated with over 20 renowned brands globally. These brands encompass a wide range of applications and help the Company to cater to a broad array of customers, both in the consumer and industrial businesses. Moreover, the Company is well-positioned to leverage the changing trends in the technology industry and be a part of the paradigm shift towards digitization in India.

Over the past year, we have continued to focus on strengthening our brand identity and reputation by consistently delivering high-quality products and services. Our commitment to innovation and customer satisfaction has allowed us to maintain a competitive edge in the market.

One of the key factors behind our growth is "Honeywell" which has been our dedication to delivering high-quality products and services. We have invested significant resources in research and development, ensuring that our offerings are at the forefront of technological advancements. By leveraging cutting-edge technologies, we have consistently delivered innovative solutions that meet the evolving needs of our customers. This Year, we witnessed significant milestones that have further strengthened our brand and positioned us for sustained growth. Our investments in research and development have fostered a culture of innovation, enabling us to introduce groundbreaking solutions that address the evolving needs of our customers.

### **Creative has a unique value-added business model.**

**Seamless Solutions:** Your End-to-End Partner for Success:- Creative provide end-to-end solutions, from market research and competition analysis for brands, to import, distribution, sales and servicing for the brand. Additionally, the Company suggests and executes marketing strategies and recommends viability in specific regions across India for their clients. This is enabled by specialized skill sets, local insights and experience, along with relevant market intelligence. Creative also prepares strategic plans for market entry for foreign brands and their target category.

**Market Entry Specialist:** Furthermore, the Company conducts pre-sales and marketing activities for the success of the brands as well as to enable the channel partners to leverage their expertise and bottom line. Creative works closely with partners across channels including Large Format Retail (LFR), e-commerce and specialized retailers. The Company is one of the few large market entry specialist who conduct specialized training modules, events and promotional activities at the ground level with channel partners and have also conduct live workshops, demos for the resellers which is all possible due to the dedication and experience of the corporate and sales teams who constantly track latest market developments to build a closer market connect.

**Operational Efficiency:** The Company's wide reach and superior logistics capabilities helps it provide end-to-end services including warranty and post-warranty, high-level repair services, and response centres, among others. Such expertise and superior quality of service has led to increased confidence of brands, many of which have chosen Creative as exclusive partners and have been with the Company since over five years. The Company focuses on higher operational efficiencies and adding higher-margin and value-added products to its existing product portfolio and such brand associations are a concrete step in that direction.

Vendor	Product Category
AOC	Monitors & TV
Babyliss	Cosmetics
BPL	Fans, Light Bulbs etc.
COOLER MASTER	PC Casing and Cooling products
COLORFUL TECH	SSDs
CRICUT	Craft and cutting products
DUSTOR	Vacuum Cleaner
HONEYWELL	Air Purifiers, Home Audio, Laptop Enhancement & Mobility products, Structured Cabling Systems
LEXAR	Storage/Memory cards
iBALL	Computers & accessories
INSTAX FUJIFILM	Cameras
INVUE	Retail security protecting mobile electronics devices
RAZER	Gaming products
MSI	Mini-PCs and desktops
OLYMPUS	Cameras, Lenses, Binoculars
PNY	Graphics Cards and SSDs
PHILIPS	Signage and Monitors
POLYCAB	Wires
HAMA	Photography products
RAPOO	Keyboards, Mouse, Headphones, Power bank
SAMSUNG	Monitors
TRANSCEND	Memory, Storage
VIEWSONIC	Projectors, 3D Glass

## FINANCIAL OVERVIEW –

The consolidated financial performance of the Company for the financial year ended March 31<sup>st</sup>, 2023, is as follows:

Total revenue from operations stood at Rs. 1,402.25 crore for the year ended March 31, 2023, as against Rs. 947.81 crore for the corresponding previous period, an increase of 47.95%, mainly on account of strong sales driven by FMCT and EB product segments. Strong demand from brands such as Samsung, Cooler Master, Viewsonic and Honeywell supported growth.

The cost of raw materials rendered for the financial year ended March 31, 2023 was Rs 1,296.01 crore as against Rs 856.52 crore for the corresponding previous period, an increase of 51.31%.

The staff expenses for the financial year ended March 31, 2023 were Rs 13.70 crore as against Rs. 11.47 crore for the corresponding previous period, an increase of 19.46%.

The other expenses for the financial year ended March 31, 2023 were Rs. 47.43 crore as against Rs 47.20 crore for the corresponding previous period, an increase of 0.48%.

The EBIDTA (earnings before interest, depreciation and tax) was Rs. 45.12 crore for the year ended



March 31, 2023, as against Rs. 32.62 crore for the corresponding previous period, an increase of 38.31%.

The depreciation for the financial year ended March 31, 2023 was Rs. 1.57 crore, as against Rs. 1.49 crore for the corresponding previous period, an increase of 5.11%.

The interest for the financial year ended March 31, 2023 was Rs. 9.40 crore as against Rs. 6.07 crore for the corresponding previous period, an incline of 54.85%.

The PAT (profit after tax) was Rs. 27.25 crore for the year ended March 31, 2023, as against Rs. 19.25 crore for the corresponding previous period, a growth of 41.56%.

EPS was Rs. 19.53 for the year ended March 31, 2023, as against Rs. 13.32 for the corresponding previous year, an increase of 46.62%.

## RESOURCES AND LIQUIDITY

As on March 31, 2023, the consolidated net worth stood at Rs. 126.16 crore and the consolidated debt was at Rs. 88.93 crore.

The cash & cash equivalents and bank balances at the end of March 31, 2023 were Rs. 9.19 crore.

The net debt to equity ratio of the Company stood at 0.70 as on March 31, 2023.

## Business Category wise Performance

Creative Newtech operates in four broad product categories: distribution of fast moving social media gadgets (FMSG), fast moving consumer technology (FMCT), fast moving electronics goods (FMEG) and Enterprise business (EB).

The Company is performing well in all the categories and expects the momentum to continue in next financial year.

### 1. Fast Moving Social Media Gadgets (FMSG)

Creative offers a broad range of products driven by social media penetration, which are targeted for the young and aspirational demographic. These cover imaging, lifestyle and gaming categories, among others. Some of the key brands under this segment include Honeywell, Cooler Master, Cricut, Olympus, Instax Fujifilm etc. FMSG contributed 14.33% to the total revenue in FY23.

### 2. Fast Moving Consumer Technology (FMCT)

This category encompasses a range of high-volume IT products. Some of the key brands under this segment are Samsung, Viewsonic, Rapoo, iBall etc. This category contributed 17.93% to revenue in FY23.

### 3. Fast Moving Electronics Goods (FMEG)

This segment covers high volume electrical products such as lights, bulbs, fans and small domestic appliances from well established household brands such as BPL and Polycab. This category contributed 0.78% to revenue in FY23.

### 4. Enterprise Business (EB)

The Enterprise business comprises of products which are supplied primarily to large corporates and enterprises. Some major brands in this category include AOC, Philips and retail security specialist InVue. Revenue from this segment comprised 66.97% of total revenue in FY23.

## BUSINESSES DEVELOPMENTS DURING THE YEAR:

- Creative tied up with Razor Inc., a leading global gaming brand, to distribute its products in India.
- The Company won a distribution agreement with Cricut to offer their range of craft and cutting products in India.
- The Company signed a distribution agreement with Fuji Instax for their range of cameras.

- The Company signed distribution agreements with Lexar Memory Cards.
- Expanded Honeywell mandate to additional countries across APAC and GCC

## **RISKS AND CONCERNS**

Like every business, the Company faces risks, both internal and external, in the undertaking of its day-to-day operations and in pursuit of its longer-term objectives. A detailed policy drawn up and dedicated risk workshops are conducted for each business vertical and key support functions wherein risks are identified, assessed, analyzed and accepted / mitigated to an acceptable level within the risk appetite of the organization. The risk registers are also reviewed from time to time.

**The Company faces the following Risks and Concerns:**

### **Rapid Obsolescence of Technology & Change in Consumer Preferences**

A technology business is always exposed to sudden and unanticipated changes in technology and consumer trends and preferences. This exposes the company to the risk of becoming uncompetitive in terms of product/services offering to the customers. There is a need to constantly upgrade the product and service portfolio (e.g. Cloud, IoT, Mobility Analytics, etc.), and stay on top of changing consumer preferences.

### **Credit Risk**

To manage its credit exposure, Creative Newtech has determined a credit policy with credit limit requests and approval procedures. Company does its own research of clients' financial health and project prospects before entering into an agreement with them. Timely and rigorous process is followed up with clients for payments as per schedule. The company has suitably streamlined the process to develop a focused and aggressive receivables management system to ensure timely collections.

### **Interest Rate Risk**

The Company has judiciously managed the debt-equity ratio. It has been using a mix of loans and internal cash accruals. The Company has well managed the working capital to reduce the overall interest cost.

### **Competition Risk**

Like in most other industries, strong scope of opportunities come with intense competition. We face different levels of competition in each of our operating categories, from domestic as well as multinational companies. Creative has created strong differentiators in project execution, portfolio, level on involvement in marketing and delivery, which make it resilient to competition. Furthermore, the Company continues to invest in technology and people to remain ahead of the curve. A strong and stable client base, comprising large and mid-sized corporations, further helps mitigate this risk. We counter this risk with the quality of our infrastructure, our customer-centric approach, value-added services and our ability to innovate customer specific solutions, focusing on pricing and aggressive marketing strategy, disciplined project executions, along with prudent financial and human resources management and better control over costs. Thus, we expect to be significantly insulated from this risk.

## **OPPORTUNITIES**

- **Large and Growing Market:** India has a massive consumer base with a rapidly increasing number of internet users, making it an attractive market for e-commerce and B2B platforms.
- **Increasing Digital Penetration:** The widespread adoption of smartphones and affordable internet access has led to a surge in online shopping and B2B transactions.
- **Convenience and Accessibility:** E-commerce platforms provide convenience to consumers by allowing them to shop from anywhere at any time. B2B platforms streamline the procurement process for businesses, making it more efficient.
- **Wide Product Range:** E-commerce platforms in India offer a wide variety of products, including both local and international brands, catering to diverse consumer preferences.
- **Distribution agreements with renowned brands:** An increasing number of international brands want to come to India to tap into the market potential. Such brands typically want ready and modern distribution system covering the geographical territories of the country and serving customers on a pan-India basis which will grow their brand quicker.

## **THREATS**

- Competition from local and multinational players
- Offline retail competition
- Regulatory changes including unfavorable tax changes or import regulations.
- Attraction and retention of talented human resources
- Frequent and rapid technological advancements leading to early obsolescence of products in inventory
- Over-dependence on few brands which account for majority revenue

## **INTERNAL CONTROL SYSTEMS AND ADEQUACY**

The Company is a ISO 9001:2015 certified and has an internal audit function designed to review the adequacy of internal control checks in the system which covers all significant areas of Company's operations such as accounting and finance, procurement, business operations, statutory compliances, IT processes, safeguarding the assets and their protection against unauthorized use, among others. The Internal Audit function performs the internal audit of Company's activities based on an internal audit plan, which is reviewed each year and is approved by the Board of Audit Committee. The Audit Committee reviews the report submitted by the internal auditors. Suggestions for improvement are considered and the audit committee follows up on corrective action. Disciplinary action is taken, wherever required, for non-compliance to corporate policies and controls.

The Company has also implemented effective systems for achieving highest level of efficiency in operations, to achieve optimum and effective utilization of resources, monitoring thereof and the compliance with provisions all laws including the Companies Act, 2013, Listing Agreement, directions issued by the Securities and Exchange Board of India, labour laws, tax laws etc. It also aims at improvement in financial management, and investment policy. The System ensures appropriate information flow to facilitate effective monitoring.

## **HUMAN RESOURCES**

We believe that our employees are key contributors to our business success. We focus on attracting and retaining the best possible talent. Our Company looks for specific skill-sets, interests and background that would be an asset for our business.

As on March 31, 2023, the Company had 300+ employees on payroll. The manpower is a prudent mix

of experienced and young professionals which gives us the dual advantage of stability and growth. The work progress and skilled/ semi-skilled/ unskilled resources, together with the Company's strong management team, have enabled it to successfully implement our growth plans.

The Company also imparts behavioral, technical and on the job training to our employees. Technical trainings are mandated by the vendor whenever the employees have to deal with pre-technical or post technical issues. Training calendars are set by the vendors and nominated employees from our Company attend the program and obtain a feedback on the completion of the program.

## **OUTLOOK**

Organizations across industries are actively pursuing digital transformation, creating a significant demand for IT services & solutions and diversified product range. This trend is expected to continue, driving the growth of the overall market in India. India has a large pool of skilled IT professionals, making it well positioned to capitalize on emerging technologies. These include AI, machine learning, blockchain, Internet of Things (IoT), and augmented/virtual reality. The IT sector is expected to embrace these technologies and develop innovative solutions for both domestic and international markets.

The shift towards digital technologies continues to drive demand. Creative's agile business model, selective strategies and niche portfolio helps the Company navigate market cycles successfully. Moreover, the value-addition in terms of executing marketing strategies and post-sales services, allows the Company to command better margins.

Creative has an extensive network and strategically concentrates on important niche brands where there is room for growth. The addition of Cricut and Razer to the brand portfolio will help further increase margins as they are among the leading names in their respective fields of craftwork and gaming.

On the Honeywell front, Creative now has license in 38 nations across APAC, Middle East & Africa, driving growth in this line of business. As the synergies from Honeywell start to build up, top line as well as profit margins will expand. The Company is prepared to launch a larger variety of product lines under Honeywell at full speed now that all certifications, permits, etc. are in place.

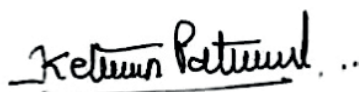
In line with the ethos of Creative to be at the forefront of new technologies, the Company continuously manages its brand portfolio to keep it relevant to ongoing and anticipated consumer trends. The focus remains on keeping a lean business model and ensuring long-term, sustainable growth for all stakeholders.

ECommerce business is also prospering as more and more players use the internet as a channel for conducting business. Ckart is likely to play a crucial part in the paradigm shift of distribution business from a brick and mortar to an online-based business.

Overall, based on the market demand and Creative's annual performance as a whole, the outlook for the next year appears upbeat.

**For and on behalf of the Board of Directors**

**Creative Newtech Limited**



**Ketan Patel**

**Chairman & Managing Director**

**DIN 00127633**

**Date: August 10, 2023**

**Place: Mumbai**

## **Annexure – C Form No. AOC-2 Form No. MR-3 SECRETARIAL AUDIT REPORT**

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2023

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

To,

The Members,

### **CREATIVE NEWTECH LIMITED**

Mumbai

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **CREATIVE NEWTECH LIMITED** (hereinafter called the Company). 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 Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and the information provided by the Company, its officers, agents, authorized representatives and the explanations and clarifications given to me and representations made by Management 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, 2023, complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2023 and made available to me and according to the applicable provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
  - a. Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
  - b. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;  
During the year under review, the Company has issued 4,00,000 Equity shares of face value of Rs. 10/- each fully paid up for cash at a price of Rs. 110/- per Equity and 6,00,000 fully convertible warrants of face value of Rs. 10/- each fully paid up for cash at a price of Rs. 110/- per convertible warrants on preferential basis.
  - c. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

- d. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; During the year under review, the Company has not brought back any of its Securities.
- e. 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;
- f. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (up to August 12, 2021) and Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (with effect from August 13, 2021); During the year under review, the Company has not issued any shares/ securities to its employee.
- g. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; During the year under review, the Company has not issued any debt securities.
- i. Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013 (up to August 15, 2021) and Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 (with effect from August 16, 2021);

During the year under review, the Company has not issued any Non-Convertible and Redeemable Preference Shares/ any other Non-Convertible Securities.

- j. Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- k. Other laws as applicable specifically to the Company as identified by the management, that is to say:
  - i. The Shop and Establishment Act, 1948
  - ii. The Code on Wages, 2019
  - iii. The Code on Social Security, 2019
  - iv. The Customs Act, 1962

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 Company with National Stock Exchange (NSE) of India Limited read with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above except in respect of following matter:

Sr. No.	Compliance Requirement (Regulations / circulars/ guidelines including specific clause)	Deviations	Observations/ Remarks of the Practicing Company Secretary
-	-	-	-

I further report that, the compliance by the Company of applicable financial laws such as Direct and Indirect Tax Laws and maintenance of financial records and books of accounts have not been reviewed in this Audit since the same have been subject to review by the statutory financial auditors, tax auditors, and other designated professionals.

**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.

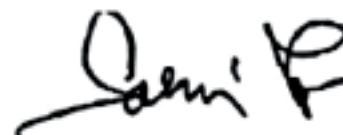
Adequate notice is given to all directors to schedule the board meetings, agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation 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**, based on the information provided and the representation made by the Company and also on the review of the compliance certificates / reports taken on record by the Board of Directors of the Company, 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**, during the audit period the Company has no events / actions having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above viz.

**For Satyajit Mishra & Co.  
Company Secretaries**



**Satyajit Mishra**

**Place: Mumbai  
Date: August 10, 2023**

**Proprietor  
FCS No. 5759  
C.P. No.: 4997  
PR No. 1769/2022  
UDIN: F005759E000812422**

**\*We could not generate UDIN on 10th August, 2023 (date of issuance of Certificate) due to technical issue/website of ICSI under maintenance / not functioning.**

**\*\*UDIN generated on 17th August, 2023 post resolved technical issue of ICSI website.**

## **ANNEXURE – I**

To,

The Members

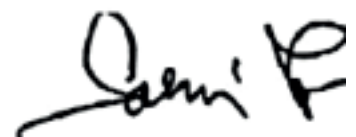
**Creative Newtech Limited**

Mumbai

Our report of even date is to be read along with this letter

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

**For Satyajit Mishra & Co.  
Company Secretaries**



**Satyajit Mishra**

**Proprietor**

**FCS No. 5759**

**C.P. No.: 4997**

**PR No. 1769/2022**

**UDIN: F005759E000812422**

**Place: Mumbai**

**Date: August 10, 2023**



## Annexure – D CERTIFICATE ON CORPORATE GOVERNANCE

To,

The Members,

**CREATIVE NEWTECH LIMITED**

Mumbai

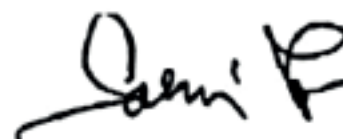
We have examined the compliance of conditions of Corporate Governance by Creative Newtech Limited (Formerly known as Creative Peripherals And Distribution Limited) for the year ended March 31, 2023, as stipulated under Regulations 17 to 27, clauses (b) to (i) of sub regulation (2) of Regulation 46 and para C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") for the financial year ended March 31, 2023.

The compliance of conditions of Corporate Governance is the responsibility of the management of the Company. Our examination was limited to 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 and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India warranted due to the ongoing outbreak of the COVID-19 pandemic, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Regulations for the year ended March 31, 2023.

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 Satyajit Mishra & Co.  
Company Secretaries**



**Satyajit Mishra**

**Place: Mumbai  
Date: August 10, 2023**

**Proprietor  
FCS No. 5759  
C.P. No.: 4997  
PR No. 1769/2022  
UDIN: F005759E000811938**

**\*We could not generate UDIN on 11th August, 2023 (date of issuance of Certificate) due to technical issue/website of ICSI under maintenance / not functioning.**

# REPORT ON CORPORATE GOVERNANCE

The report on Corporate Governance for the year ended March 31, 2023 is as under: -

## CORPORATE GOVERNANCE – PHILOSOPHY

The Company philosophy on Corporate Governance aims at upholding core values of transparency, professionalism, accountability, honesty and integrity in its functioning and conduct of business with due respect to laws and regulations and attaining highest standard of business ethics and commitment to transparency in business dealings, essential for long term success. It is directed in such a way that it performs effectively keeping in view customers, employees and long-term interests and confidence of the stakeholders. It adheres to the code of conduct formulated which serves as a guide to each employee on standards, values, ethics and principles.

## 1. BOARD OF DIRECTORS

The composition of the Board of Directors of the Company is in accordance with the relevant provisions of Companies Act, 2013 and Rules framed thereunder as amended, from time to time (hereinafter referred to as **"the Act"**) and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as **"Listing Regulations"**). As on 31<sup>st</sup> March, 2023, the Board comprised of 7 Directors with Two Whole Time Director (including a Woman Director), One Managing Director and Four Non-Executive Independent Directors. The Non-Executive Directors are eminent professionals, drawn from amongst persons with experience in business, finance, law and corporate management. None of the Directors on the Board is a member of more than 10 Committees and Chairman of more than 5 Committees as specified in the Listing Regulations, across all the Companies in which he/she is a director. The Committees for determining this criterion shall include Audit Committee and Stakeholders Relationship Committee.

All Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 (the Act) and Regulation 16(1)(b) and 25(8) of the LODR Regulations.

In the opinion of the Board, the Independent Directors fulfil the conditions specified in these regulations and are independent of the management.

As of 31<sup>st</sup> March, 2023, none of the Directors of the Company held shares in the Company except Mr. Ketan Patel who holds 79,39,520 equity shares, Mrs. Purvi Ketan Patel who holds 59,200 equity shares and Mr. Vijay Advani who holds 400 equity shares which accounts for 63.01 %, 0.47 % and 0.003 %, respectively, of the total paid-up equity share capital of the Company.

There are no inter-se relationships between the Directors of the Company except Mr. Ketan Patel, Chairman and Managing Director and Mrs. Purvi Ketan Patel, Whole-time Woman Director relatives being husband and wife.

The Independent Directors are entitled to sitting fees for every meeting of the Board or Committee thereof attended by them. Details of Independent Directors' familiarization program are part of the Directors' Report.

The Company has in place a succession plan for the Board of Directors and Senior Management of the Company.

The composition of the Board during the financial year ended 31<sup>st</sup> March, 2023 is as under: -

<b>Name of the Director</b>	<b>Category (Executive/ Non-Executive/ Independent)</b>	<b>Directorships in other Public Companies •</b>	<b>List of Directorship held in other Listed Companies •</b>
<b>Mr. Ketan Chhaganlal Patel</b>	Chairman and Managing Director	Nil	Nil
<b>Mrs. Purvi Ketan Patel</b>	Whole-time Director & Woman Director	Nil	Nil
<b>Mr. Vijay Kimatrai Advani</b>	Whole-time Director	Nil	Nil
<b>Mr. Mihir Mahendra Shah</b>	Independent Director	Nil	Nil
<b>Mr. Suresh Bhagavatula</b>	Independent Director	Nil	Nil
<b>Mr. Kurian Chandy</b>	Independent Director	Nil	Vidli Restaurants Limited L55101MH2007PLC173446
<b>Ms. Prachi Jain</b>	Independent Director	Nil	Nil

• Excludes directorship in Foreign Companies, Private Companies and Section 8 Companies.

### **Disqualification of Directors:**

As required under Schedule-V of SEBI (LODR)(Amendment) Regulations, 2018 and certificate obtained from M/s. Satyajit Mishra & Co., Practicing Company Secretary, none of the directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as directors of companies by the Board/ Ministry of Corporate Affairs or any such statutory authority.

## **2. BOARD MEETINGS AND BOARD PROCEDURES**

During the year under review, the Board of Directors of the Company met 04 (Four) times and the gap between two consecutive Board Meetings did not exceed one hundred and twenty days as mentioned under Section 173(1) of the Companies Act, 2013 ("the Act") and Regulation 17(2) of the Listing Regulations and the Secretarial Standards issued by the Institute of Company Secretaries of India.

The necessary quorum was present for all the meetings. The details of meetings held and attendance of directors are given in the following table. Agenda papers along with explanatory notes were circulated to the Directors well in advance of the meeting. The senior management personnel were invited to participate in matters of interest, importance and relevance. The Board has access to any information within your Company and every effort is made to ensure that the information is adequate and appropriate to enable the Board to take considered decisions on issues.

Your Company has placed all relevant information before the Board as mandated under Listing Regulations.

Sr. No.	Date of Board Meeting	Mr. Ketan Patel	Mrs. Purvi Patel	Mr. Vijay Advani	Mr. Mihir Shah	Mr. Suresh Bhagavatula	Mr. Kurian Chandy	Ms. Prachi Jain	Mr. Abhijit Kanvinde	Mr. Tejas Doshi
		Chairman and Managing Director	Whole-time Director	Whole-time Director	Independent Director	Independent Director	Independent Director	Independent Director	Independent Director	Chief Financial Officer
1	May 20, 2022	✓	✓	✓	✓	✓	✓	N.A.	✓	✓
2	July 29, 2022	✓	✓	✓	✓	✓	✓	N.A.	✓	✓
3	November 14, 2022	✓	✓	✓	✓	✓	✓	✓	✓	✓
4	February 11, 2023	✓	✓	✓	✓	✗	✓	✓	✓	✓

Sr. No.	Date of General Meeting	Mr. Ketan Patel	Mrs. Purvi Patel	Mr. Vijay Advani	Mr. Mihir Shah	Mr. Suresh Bhagavatula	Mr. Kurian Chandy	Ms. Prachi Jain	Mr. Abhijit Kanvinde	Mr. Tejas Doshi
		Chairman and Managing Director	Whole-time Director	Whole-time Director	Independent Director	Independent Director	Independent Director	Independent Director	Independent Director	Chief Financial Officer
1	September 29, 2022 Annual General Meeting	✓	✓	✓	✓	✗	✓	✓	✓	✓

## SEPARATE INDEPENDENT DIRECTORS' MEETINGS

Pursuant to Schedule IV of the Companies Act, 2013 and Regulation 25 of Listing Regulations, the Independent Directors met once during the year i.e. on February 11, 2023 through video conferencing, without the presence of Non-Independent Directors, Executive Directors and management representatives.

The Independent Directors inter alia discussed the performance of the Board, Non-Independent Directors, Chairperson, the management of the Company, matters arising out of the Board and Committee meetings and assessed the quality, quantity and timeliness of flow of necessary information between the management and the Board, required for the Board to effectively and reasonably perform its duties.

All the Independent Directors were present at the meeting through video conferencing. The Independent Directors expressed their satisfaction with reference to governance standards adopted by the Company and advised strategic road-map for overall functioning of Board processes and Company management.

## Terms and Conditions of appointment of Independent Directors

All the Independent Directors of the Company have been appointed as per the provisions of the Act and the Listing Regulations. Formal letters of appointment were issued to the above Independent Directors. As required by Regulation 46 of the Listing Regulations, the terms and conditions of their appointment have been disclosed on the website of the Company at [www.creativenewtech.com](http://www.creativenewtech.com).

## Familiarisation Programme

At the time of appointment, the Independent Directors through familiarisation process are made aware of their roles and responsibilities through a formal letter of appointment which stipulates various terms and conditions.

The Company proactively keeps its directors informed of the activities of the Company, its management and operations and provides an overall industry perspective as well as insights into issues being faced by the industry. The details of familiarisation provided to the Directors of the Company are available on the Company's website [www.creativenewtech.com](http://www.creativenewtech.com).

### Skill of Board of Directors:

The Board comprises of the qualified members who bring in the required skills, competence and expertise that allow them to make effective contributions to the Board and its Committees. The table below summarizes the key qualifications, skills and attributes which are taken into consideration while nominating Directors on the Board:

Leadership	Ability to inspire, motivate and offer direction and leadership to others and represent the Company before internal and external stakeholders
Management	Knowledge or expertise or understanding of sound management and business principles or experience of working in senior management position of any organization
Financial expertise	An understanding of financial statements and the accounting principles used by the Company to prepare its financial statements; including the ability to assess the general application of such accounting principles in connection with the accounting for the Company
Governance	Commitment to the highest standards of governance, including experience with a major organisation on governance practices along with clear understanding of roles and responsibilities of Board of a Company and responsibilities as Director
Strategy Development and Implementation	Experience in developing and implementing business strategies or ability to give strategic insights to key business objectives.
Knowledge of B2B Operations and industry	Understanding of the working of B2B including but not limited to areas like challenges, opportunities, business models, revenue streams, business processes & practices etc
Information Technology	Knowledge and experience in the strategic use of information management and information technology to provide unique business solutions
Risk Management	Experience in enterprise risk management in the relevant industry, and understanding of the Boards, role in the oversight of risk management principles
Human Resource	Experience in developing strategies or handling matter like development of talent and retention, succession planning and driving change and long term.

In the table below, specific areas of focus or expertise of individual Board Members have been highlighted. However, the absence of the mark against a members' name does not necessarily mean the member does not possess the corresponding skill or qualification:

Name of Director	Area of Expertise								
	Leadership	Management	Financial Expertise	Governance	Strategy Development and Implementation	Knowledge of B2B operations and industry	Information Technology	Risk Management	Human Resource
Mr. Ketan Chhaganlal Patel	✓	✓	✓	✓	✓	✓	✓	✓	✓
Mrs. Purvi Ketan Patel	✓	✓		✓	✓	✓	✓		✓
Mr. Vijay Kimatrai Advani	✓	✓	✓	✓	✓	✓	✓	✓	

Mr. Mihir Mahendra Shah		✓	✓	✓			✓	✓	
Mr. Suresh Bhagavatula	✓	✓		✓	✓	✓	✓		
Mr. Kurian Chandu	✓	✓	✓	✓	✓	✓	✓	✓	
Ms. Prachi Jain		✓	✓	✓			✓	✓	✓

## Committees of the Board of Directors

In compliance with the requirements of the Companies Act, 2013 and the Listing Regulations, the Board of Directors has constituted various Committees. These Committees are entrusted with such powers and functions as detailed in its respective terms of reference. Besides, the approval(s), criteria of consideration of transactions and recommendations of the Committee serve as a road-map for the Board of Directors in governance and strategic decision making.

### 3. AUDIT COMMITTEE

The Audit Committee of the Company at the Board level, inter alia, provides assurance to the Board on the adequacy of the internal control system. The Committee periodically reviews financial reporting process and financial results, statement and disclosures, generally accepted accounting principles and on measures taken in safeguarding of assets of the Company, internal audit reports and internal control systems and procedures. The Committee discusses with Internal Auditors, Statutory Auditors scope of findings of audit, audit qualifications, if any, related party transactions and appraises Board on the above.

The terms of reference of the Audit Committee cover all areas specified, thereby meeting the requirements of the Section 177 of the Companies Act, 2013 and also in line with Regulation 18 of the Listing Regulations and other terms as may be referred by Board of Directors.

The Audit Committee comprised of three members. During the year under review, all members including the Chairman of the Committee are non-Executive and two-third members were independent. The Members of the Audit Committee are financially literate. The Statutory Auditor, Internal Auditor and President and Chief Financial Officer of the Company are the permanent Invitees to all Audit Committee Meetings. The Company Secretary and Compliance Officer who is in charge of Internal Audit is the Secretary to the Audit Committee. Minutes of the Audit Committee are circulated to all Directors and discussed at the Board Meetings.

The Audit Committee met 4 (Four) times during the year. The requisite quorum was present at all the Meetings. The composition of the Audit Committee and the details of meetings held and attended by the members by it are as follows: -

Sr. No.	Date of Audit Committee Meeting	Mr. Kurian Chandu	Mr. Suresh Bhagavatula	Mr. Mihir Shah	Ms. Prachi Jain	Mr. Tejas Doshi
		Chairman	Member	Member	Member	Secretary
1	May 20, 2022	✓	✓	✓	N.A.	✓
2	July 29, 2022	✓	✓	✓	N.A.	✓
3	November 14, 2022	✓	✗	✓	✓	✓
4	February 11, 2023	✓	✗	✓	✓	✓

#### 4. NOMINATION AND REMUNERATION COMMITTEE

The composition of Nomination and Remuneration Committee and details of Meetings held during the year are mentioned hereunder:

Company Secretary of the Company acts as the Secretary to the Committee.

The Nomination and Remuneration Committee met Two times during the year. The requisite quorum was present at the Meeting. The terms of reference of the Committee are in line with the provisions of Sections 178 of the Companies Act, 2013, Regulation 19 of the Listing Regulations and other terms as may be referred by Board of Directors.

Pursuant to the provisions of Section 178 of the Companies Act, 2013, the Committee has formulated a Policy on the appointment of person as Director and evaluation of Directors & Senior Management Personnel (SMP).

The Nomination and Remuneration Policy as prescribed under the Companies Act, 2013 has been adopted by the Board. The Board has formulated criteria for evaluation of Independent Director which includes qualification, positive attributes and independence of Directors, this forms a part of the Remuneration Policy.

Sr. No.	Date of Nomination and Remuneration Committee Meeting	Mr. Mihir Shah	Mr. Suresh Bhagavatula	Mr. Kurian Chandy	Ms. Prachi Jain	Mr. Tejas Doshi
		Chairman	Member	Member	Member	Secretary
1	May 20, 2022	✓	✓	✓	N.A.	✓
2	July 29, 2022	✓	✓	✓	N.A.	✓

#### 5. STAKEHOLDERS' RELATIONSHIP COMMITTEE

The Company has formed "Stakeholders' Relationship Committee" on under the Chairmanship of a Non-Executive Director to specifically look into shareholders' issues including but not limited to share transfer, transmission, and issue of duplicate certificates and redressing of shareholder complaints like non receipt of balance sheet, etc.

M/s. BigShare Services Private Limited, the Company's Registrar and Share Transfer Agent, among others, expedite the process of transfer of shares under supervision of President Corporate Affairs, Legal & Company Secretary. Thereafter, the proposals are placed before the designated Committee.

Mr. Tejas Doshi, Chief Compliance Officer and Company Secretary of the Company is the Secretary to the Committee.

The composition of Stakeholders Relationship Committee and details of Meetings as mentioned hereunder:

Sr. No.	Date of Stakeholders' Relationship Committee Meeting	Mr. Suresh Bhagavatula	Mr. Mihir Shah	Mr. Kurian Chandy	Ms. Prachi Jain	Mr. Tejas Doshi
		Chairman	Member	Member	Member	Secretary
1	February 11, 2023	✓	✓	✓	✓	✓

Particulars	Information
No. of Complaints received so far	0 (NIL)
No. of complaints resolved	N.A. (Since No complaints were received)
No. of complaints not resolved to the satisfaction of shareholders;	N.A. (Since No complaints were received)
No. of pending complaints	N.A. (Since No complaints were received)

## 6.REMUNERATION TO DIRECTORS

### REMUNERATION TO THE EXECUTIVE DIRECTORS AND KMP

Following are the details of Remuneration paid to Executive Directors and KMP of the Company during Financial year ended at 31<sup>st</sup> March, 2023 along with Revised Remuneration for Financial year 2023-24 proposed for approval of Members in Annual General Meeting to be held for financial year ended at 31<sup>st</sup> March, 2023.

(Amount in Rs. Lakhs)

Sr. No.	Name of Director / KMP	Designation	Education Qualification	Gross Remuneration Paid per annum for FY 2022-23	Proposed Limit of Remuneration per annum for FY 2023-24
1.	Mr. Ketan Patel	Chairman and Managing Director	Diploma in Computer Technology	60.54	80.96
2.	Mrs. Purvi Patel	Whole-time Director	Diploma in Pharmacy	33.81	46.83
3.	Mr. Vijay Advani	Whole-time Director	B. Com	42.48	53.78
4.	Mr. Abhijit Kanvinde	Chief Financial Officer	B. Com, CA, Diploma in Marketing Management	34.30	44.86
5.	Mr. Tejas Doshi	Company Secretary and Compliance Officer	MBA - Finance (UK), CS, LL.B, B.Com	23.00	28.90
<b>TOTAL</b>				<b>194.13</b>	<b>255.33</b>

The performance criteria of the Directors have been laid down by the Nomination and Remuneration Committee in accordance with the Nomination and Remuneration Policy of the Company.

For the year under review, the Company does not have a scheme for grant of stock options nor has it issued any stock options to any of the Directors, senior management personnel or employees of the Company.

### REMUNERATION TO NON-EXECUTIVE INDEPENDENT DIRECTORS

The non-executive Directors are entitled to sitting fees for attending the meetings of the Board of Directors and Committees thereof. Sitting fees paid to non-executive Directors are within the prescribed limits under the Companies Act, 2013 and as determined by the Board of Directors from time to time. The criteria for making payments to Non-Executive Directors is placed on the website of the Company at [www.creativenewtech.com](http://www.creativenewtech.com).

The company has no pecuniary relationship or transactions with its Non-Executive Directors, other than payment of sitting fees for attending meetings of the Board or Committee thereof.

As per Company's policy as approved by Nomination and Remuneration Committee and Board of Directors, each director shall be paid Rs. 10,000/- for attending one Board Meeting and Rs. 8,000/- for attending Committee Meeting. Below mentioned are tabulated details of sitting fees paid to each director during current financial year.



(Amount in Rs. Lakhs)

Sr. No.	Name of Director / KMP	Designation	Sitting Fees for Attending Board Meetings	Sitting Fees for attending Committee Meetings	Total Sitting Fees Paid
1.	Mr. Mihir Shah	Independent Director	0.40	0.64	1.04
2.	Mr. Suresh Bhagavatula	Independent Director	0.30	0.40	0.70
3.	Mr. Kurian Chandy	Independent Director	0.40	0.56	0.96
4.	Ms. Prachi Jain	Independent Director	0.20	0.24	0.44
<b>TOTAL</b>			<b>1.30</b>	<b>1.84</b>	<b>3.14</b>

The Company has no pecuniary relationship or transactions with its Non-Executive Directors, other than payment of sitting fees for attending meetings of the Board or Committee thereof.

For the year under review, the Company does not have a scheme for grant of stock options nor has it issued any stock options to any of the Directors, senior management personnel or employees of the Company.

## 7. POLICY ON RISK MANAGEMENT

Pursuant to the requirement of Corporate Governance, the Board of Directors of the Company has adopted a policy on risk management for assessment and minimization procedure of risk for periodical review by the Board. The Risk Management Policy is available on Company's website.

## 8. MEANS OF COMMUNICATION:

a.	Quarterly, Half yearly, yearly report/ highlights sent to each household of shareholders	The quarterly, half-yearly and annual financial results are submitted to National Stock Exchange of India Limited within 30 minutes from the conclusion of the Board Meeting in which the same is approved.
b.	Quarterly results, which newspapers normally published in	Active Times (English) Mumbai Lakshadeep (Marathi) Prathkal (Marathi)
c.	Any website, where displayed	www.creativenewtech.com
d.	Whether it also displays official news release	Press Release, if any, made by the Company from time to time shall also displayed on the Company's website and uploaded on the website of Stock Exchanges.
e.	Whether MD & A is a part of Annual Report	Yes

## 9. GENERAL SHAREHOLDER INFORMATION

Annual General Meeting – Date, Time and Venue	25 <sup>th</sup> September 2023, Monday, through Video Conferencing ('VC') / Other Audio Visual Means ('OAVM')
Financial Year	01 <sup>st</sup> April 2022 to 31 <sup>st</sup> March 2023
Dividend Record Date and Dividend payment date	18 <sup>th</sup> September 2023 09 <sup>th</sup> October 2023

Registered Office	Address: 3 <sup>rd</sup> & 4 <sup>th</sup> Floor, Plot No. 137AB, Kandivali Co Op Industrial Estate Limited, Charkop, Kandivali West, Mumbai – 400 067 Tel: 022 5061 2700 email: cs@creativenewtech.com
Name and Address of Stock Exchanges where Company's securities are listed	National Stock Exchange of India Limited Address: Exchange Plaza, C-1, Block G, Bandra-Kurla Complex, Bandra (East), Mumbai - 400 051 Trading Symbol: CREATIVE
Listing Fees	The Annual Listing fees for the financial year 2022-23 have been paid to the Nation Stock Exchange.
Share Registrar and Transfer Agents	Bigshare Services Private Limited Add: Office No S6-2, 6 <sup>th</sup> floor Pinnacle Business Park, Next to Ahura Centre, Mahakali Caves Road, Andheri (East), Mumbai - 400093 Email ID: investor@bigshareonline.com Website: www.bigshareonline.com Tel No.: 022 6263 8200 SEBI Registration No: INR000001385
Address for Investor's Correspondence	Mr. Tejas Doshi (Chief Compliance Officer & Company Secretary)  <b>Creative Newtech Limited</b> Address: 3 <sup>rd</sup> & 4 <sup>th</sup> Floor, Plot No. 137AB, Kandivali Co Op Industrial Estate Limited, Charkop, Kandivali West, Mumbai – 400 067 Tel: 022 5061 2700 <u>Email</u> : cs@creativenewtech.com
Name of the Compliance Officer	Mr. Tejas Doshi (Chief Compliance Officer and Company Secretary)

#### a. Market Price Data

Month	NSE			
	High (Rs.)	Low (Rs.)	Volume (in Lakhs)	Value (in Lakhs)
April, 2022	746.80	596.80	3.86	2,576.32
May, 2022	665.85	466.05	4.39	2,346.60
June, 2022	567.50	469.90	2.54	1,336.46
July, 2022	549.90	480.15	1.31	665.67
August, 2022	548.00	450.50	3.25	1,583.52
September, 2022	534.60	442.10	2.62	1,274.95
October, 2022	498.50	432.00	1.82	837.49
November, 2022	549.00	443.00	3.19	1,638.19

December, 2022	648.80	485.90	8.32	4,780.00
January, 2023	595.00	466.05	3.06	1,631.92
February, 2023	536.95	411.95	1.69	797.02
March, 2023	474.20	396.10	3.20	1,374.51

(Source: This information is compiled from the data available on NSE websites)

## b. Share Transfer System

Bigshare Services Private Limited has been appointed as Registrar and Transfer Agent to carry out share transfer activities and processed by NSDL/CDSL through respective Depository Participants in compliance with the applicable SEBI Regulations and SEBI Notification No. SEBI/LAD-NRO/GN/2018/24 dated June 8, 2018 and further amendment vide Notification No. SEBI/LAD-NRO/GN/2018/49 dated November 30, 2018.

A Committee of Directors (Stakeholders Relationship Committee) has been constituted to review and approve the requests of the shareholders relating to transmission of shares, issue of duplicate share certificates and allied matters within its terms of reference.

The Company obtains from a Practicing Company Secretary a half yearly certificate of compliance with the share transfer formalities as required under Regulation 40(9) of the Listing Regulations and files a copy of the compliance certificate with the Stock Exchanges where the shares of the Company are listed.

## c. Distribution of Shares by Categories of Shareholders as of March 31, 2023

Shareholding of Nominal Rs. Range	No. of shareholders	% of shareholders	Value of Shares	% of Value of shares
1 – 5,000	4,695	89.9770	33,97,330	2.6963
5,001- 10,000	222	4.2545	17,26,710	1.3704
10,001 - 20,000	116	2.2231	17,87,230	1.4184
20,001 - 30,000	51	0.9774	12,89,290	1.0232
30,001 - 40,000	31	0.5941	10,59,590	0.8409
40,001 - 50,000	15	0.2875	7,03,340	0.5582
50,001 - 1,00,000	29	0.5558	20,98,930	1.6658
1,00,001 & above	59	1.1307	11,39,37,580	90.4267
Total	5,218	100.00	12,60,00,000	100.00

## d. Dematerialisation of Shares and Liquidity

The shares of the Company are regularly traded at National Stock Exchanges (NSE) where they are listed, which ensure the necessary liquidity to shareholders. Trading of shares is permitted only in dematerialized form.

Physical and Dematerialised Shares as on March 31, 2023	No. of Shares	% of Total Issued Capital
No. of Shares held in dematerialised form in CDSL	1,08,01,372	85.73
No. of Shares held in dematerialised form in NSDL	17,97,828	14.26
No. of Physical Shares	800	00.01
<b>Total</b>	<b>1,26,00,000</b>	<b>100.00</b>

**e. Outstanding GDRs / ADRs / Warrants or any Convertible Instruments**

The Company has issued 6,00,000 Fully Convertible Warrants on Extra Ordinary General Meeting held on 27<sup>th</sup> July 2021 and the same were allotted to warrants holder on 19<sup>th</sup> August 2021. Further Company has converted all 6,00,000 Fully Convertible Warrants into Fully paid Equity Shares on 09<sup>th</sup> August 2022.

**f. Commodity price risk or foreign exchange risk and hedging activities**

During the year ended March 31, 2023, the Company had managed the foreign exchange risks to the extent considered necessary. The details of foreign currency exposure are disclosed in Notes to the Standalone and Consolidated financial statements.

**g. Plant location: Not Applicable**

**h. List of all credit ratings obtained by the entity along with any revisions thereto during the relevant financial year, for all debt instruments of such entity or any fixed deposit programme or any scheme or proposal of the listed entity involving mobilization of funds, whether in India or abroad: Not Applicable**

**10. VIGIL MECHANISM / WHISTLE BLOWER POLICY**

The Company believes in the conduct of the affairs of its constituents in a fair and transparent manner by adoption of highest standards of professionalism, honesty, integrity and ethical behaviour. Towards this end, the Company has implemented a Whistle Blower Policy, with a view to provide a mechanism for employees and Directors of the Company to approach the Ethics Counsellor or the Chairman of the Audit Committee of the Company to report instances of violations of laws, rules and regulations, unethical behaviour, actual or suspected, fraud or violation of the Company's Code of Conduct or Ethics Policy. The vigil mechanism also provides adequate safeguards against victimisation of persons who use such mechanisms and also to ensure direct access to the Ethics Counsellor or the Chairman of the Audit Committee in appropriate or exceptional cases. Whistle Blower Policy and the same is available on the Company's website at [www.ecreativeindia.com](http://www.ecreativeindia.com) During the year under review, there were no instances reported pursuant to Vigil Mechanism and Whistle Blower Policy of the Company and no personnel has been denied access to the Audit Committee

The Company has posted the Whistle Blower Policy on the Company's website at [www.ecreativeindia.com](http://www.ecreativeindia.com) and have circulated to all its employees through email.

**11. PREVENTION OF INSIDER TRADING CODE**

The Company has adopted a Code of Conduct to regulate, monitor and report trading by insiders and code of practices and procedures for fair disclosures of unpublished price sensitive information in terms of Regulations 8(1), 9(1) and 9(2) of SEBI (Prohibition of Insider Trading) Regulations, 2015. All the Directors, employees at senior management level and other employees who could have access to unpublished price sensitive information of the Company are governed by this code.

**12. POLICY FOR PREVENTION OF SEXUAL HARASSMENT IN THE COMPANY**

The Company values the dignity of individuals and strives to provide a safe and respectable work environment to all its employees. The Company is committed to providing an environment, which is free of discrimination, intimidation and abuse. Pursuant to the Sexual Harassment of Women at Workplace (Prohibition, Prevention and Redressal) Act, 2013 and rules made thereunder, the Company has a Policy for prevention of Sexual Harassment in the Company. All employees (permanent, contractual, temporary and trainees) are covered under this policy. Your directors further state that during the year under review, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prohibition, Prevention and Redressal) Act, 2013.

Further, the Company has set up an Internal Complaints Committee for providing a redressal mechanism pertaining to sexual harassment of the employees at workplace and meetings of the committee were held during the year with due intervals.

Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 for the FY 2022-23.

Number of complaints filed during the financial year	None.
Number of complaints disposed of during the financial year	None.
Number of complaints pending as on end of the financial year	None.

### **13. DISCRETIONARY REQUIREMENTS**

The Company has also adopted certain discretionary requirements of the Listing Regulations.

The Internal Auditor periodically provides its reports to the Audit Committee. The Financial Statements of the Company are unqualified.

### **14. MATERIAL CONTRACTS/TRANSACTIONS CONCERNING DIRECTOR'S INTEREST**

There has been no transaction of material in nature that may have a potential conflict with interest of your Company. Related party transactions have been disclosed under significant accounting policies and notes forming part of the Financial Statements in accordance with Act. A statement in summary form of transactions with Related Parties in ordinary course of business and arm's length basis is periodically placed before the Audit Committee for review and recommendation to the Board for their approval.

As required under Regulation 23(1) of the Listing Regulations, the Company has formulated a policy on dealing with Related Party Transactions.

### **15. DISCLOSURE REGARDING SENIOR MANAGEMENT'S MATERIAL FINANCIAL AND COMMERCIAL TRANSACTIONS**

There has been no transaction of material, financial and commercial nature having personal interest of the Senior Management that may have a potential conflict with the interest of the company at large, during the period under review.

### **16. CODE OF CONDUCT FOR BOARD MEMBERS AND SENIOR MANAGEMENT OF THE COMPANY**

In accordance with the requirement of Corporate Governance, the Board of Directors of the Company has formulated a code of conduct for Directors and Senior Management of the Company, the compliance of which has been affirmed by all Board Members and Senior Management Personnel. The required declaration to this effect signed by the Whole Time Director is appended as a separate Annexure to the report.

### **17. CEO / CFO CERTIFICATION**

In accordance with the requirement of Corporate Governance, as specified in Regulation 17(8) of the Listing Regulations, the Board of Directors of the Company have been furnished with the requisite certificate from the Chief Financial Officer (CFO) of the Company.

## 18. COMPLIANCE WITH CODE OF CONDUCT

In accordance with Regulation 26(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, all Board Members and Senior Management Personnel of the Company have affirmed compliance with the Code of Conduct of the Company for the financial year ended 31<sup>st</sup> March, 2023.

## 19. DISCLOSURES:

- a) **Disclosures on materially significant related party transactions of the Company that may have potential conflict with the interests of the Company at large :**  
Disclosures on transactions with related parties have also been disclosed in the Notes to Accounts of financial statements.
- b) **Non-compliance by the Company, penalties and strictures imposed on the Company by the Stock Exchange, or SEBI or any statutory authority, on any matter related to capital markets, during the last three years.**  
There was no non-compliance, penalties or stricture imposed on company by any Stock Exchanges, SEBI or any other statutory authority or any matters relating to capital market during the last three years.
- c) The Company has in place all the mandatory Policies which are also available on the Company's website [www.creativenewtech.com](http://www.creativenewtech.com).
- d) **Details of compliance with mandatory requirements and adoption of the non-mandatory requirements.**  
The Company is in full compliance with the mandatory requirements as contained in the Listing Regulations.
- e) **web link where policy for determining 'material' subsidiaries is disclosed;**  
The Company has formulated a policy for determining material subsidiaries in terms of the Listing Regulations. This Policy which are also available on the Company's website: [www.creativenewtech.com](http://www.creativenewtech.com).
- f) **web link where policy on dealing with related party transactions;**  
The Company has formulated a policy on dealing with related party transactions. This Policy which are also available on the Company's website: [www.creativenewtech.com](http://www.creativenewtech.com).
- g) **Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A):**  
Not Applicable
- h) **Where the Board had not accepted any recommendation of any Committee of the Board which is mandatorily required, in the relevant financial year, the same to be disclosed along with reasons thereof;**  
In terms of the Listing Regulations, there have been no instances during the year when the recommendations of any of the Committees were not accepted by the Board.
- i) Total fees paid by the Company and its subsidiaries, on a consolidated basis to M/s. Gupta Raj & Co., Chartered Accountants, Statutory Auditor and all entities in its network firm/network entity, during the Financial Year 2022-23.  
Total fees for all services paid by the Company and its subsidiary to statutory auditors of the Company and other firms in the network entity of which the statutory auditors are a part, during

the year ended March 31, 2023, is as follows:

Fees paid by the Company to M/s. Gupta Raj & Co., Chartered Accountants, Statutory Auditor:

Particulars	Amount (In Rs. Lakhs)
Fees for audit and related services	7.0
Fees for other Certifications	0
<b>TOTAL</b>	<b>7.0</b>

- j) In line with the requirements of the Regulation 17(9) of the Listing Regulations, the Board reviewed the Management's perception of the risks facing the Company and measures taken to minimize the same.
- k) **Details of material subsidiaries of the listed entity; including the date and place of incorporation and the name and date of appointment of the statutory auditors of such subsidiaries.:** As on 31.03.2023 the company has no material subsidiaries.
- l) **Disclosure by listed entity and its subsidiaries of 'Loans and advances in the nature of loans to firms/companies in which directors are interested by name and amount.:** The company has not advanced any loan to firms/companies in which directors are interested during the FY 2022-23.

## 20. General body meetings:

### a. Annual General Meeting

The details of Annual General Meetings convened during the last three years are as follows:

Financial Year	AGM	Date and Time	Venue	Special Resolution(s)
2022	AGM	Thursday, 29th September 2022 at 11.00 a.m.	Meeting conducted through VC / OAVM pursuant to MCA Circular	Following Special Resolution passed: - 1. Re-appointment of Mr. Mihir Shah (DIN 08000853) as an Independent Director of the Company 2. Appointment of Ms. Prachi Jain (DIN 09691107) as a Woman Independent Director of the Company
2021	AGM	Wednesday, 29th September 2021 at 11.00 a.m.	Meeting conducted through VC / OAVM pursuant to MCA Circular	There was no matter that required passing of Special Resolution.
2020	AGM	Tuesday, 29th September, 2020 at 11.00 a.m.	Meeting conducted through VC / OAVM pursuant to MCA Circular	There was no matter that required passing of Special Resolution.

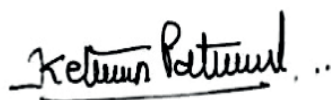
- b. There was no special resolution passed last year through postal ballot.
- c. person who conducted the postal ballot exercise: Not Applicable
- d. Details of resolutions passed through Postal Ballot : There were no resolutions passed by the Members of the Company through Postal Ballot during the year under review
- e. Procedure for postal ballot: Not Applicable

**21. NON-COMPLIANCE OF ANY REQUIREMENT OF CORPORATE GOVERNANCE REPORT OF SUB-PARAS (2) TO (10) ABOVE, WITH REASONS THEREOF.**

There is no non-compliance with any requirement of Corporate Governance Report of sub-paras (2) to (10) of the Corporate Governance Report as given in Schedule V(C) of the Listing Regulation.

**22.** The disclosures of the compliance with Corporate Governance requirements specified in Regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 of the Listing Regulations, have been made in this Corporate Governance report.

**For Creative Newtech Limited**



**Ketan Patel**  
**Chairman and Managing Director**  
**DIN: 00127633**  
**Date: August 10, 2023**  
**Place: Mumbai**



**Tejas Doshi**  
**Chief Compliance Officer and Company Secretary**  
**ACS: 30828**  
**Date: August 10, 2023**  
**Place: Mumbai**

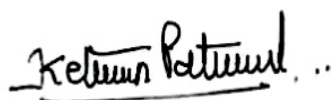
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**Declaration pursuant to Regulation 26 (3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015**

**Declaration pursuant to Regulation 26 (3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015**

I, Ketan Patel, Chairman and Managing Director of Creative Newtech Limited (Formerly known as Creative Peripherals and Distribution Limited), hereby confirm that all Board Members and Senior Management Personnel of the Company have affirmed compliance with the Code of Conduct of the Company for the financial year ended 31st March, 2022.

**For Creative Newtech Limited**



**Ketan Patel**  
**Chairman and Managing Director**  
**DIN: 00127633**  
**Date: August 10, 2023**  
**Place: Mumbai**



## Annexure – E – FORM No. AOC-1

(Pursuant to first proviso to Sub-Section (3) of Section 129 of the Companies (Accounts) Rules, 2014)  
Statement containing salient features of the Financial Statements of Subsidiaries/Associate Companies/Joint Ventures

### Part A: Subsidiary Companies

(Amount in Rs.)

Sr. No.	Particulars	Creative eCommerce Ventures Private Limited	Creative Peripherals and Distribution Limited	Secure Connection Limited
1	Country of Subsidiary Company	India	Hong Kong	Hong Kong
2	Reporting Period	01/04/2022 – 31/03/2023	01/04/2022 – 31/03/2023	01/04/2022 – 31/03/2023
3	Reporting Currency	INR	INR	INR
4	Share Capital (at cost)	1,00,000	48,80,750	1,22,046.81
5	Reserves and Surplus	(1,18,141)	2,86,38,992.35	23,65,17,314.87
6	Total Liabilities excluding Share capital and reserves	1,11,000	2,03,27,856.40	5,73,54,297.32
7	Total Assets	92,859	5,38,47,703.79	29,39,93,696.98
8	Investments	0	0	0
9	Turnover / Total Income	0	19,71,60,567.30	41,45,74,116.44
10	Profit before Taxation	(54,200)	1,71,26,992.35	5,58,68,314.87
11	Provisions for Taxation	0	0	0
12	Profit after Taxation	(54,200)	1,71,26,992.35	5,58,68,314.87
13	Proposed Dividend		0	0
14	% of Share holding	100%	100 %	52.48

Exchange Rate of US \$ 1= Rs. 82.2169 for Balance Sheet items and Rs.80.3436 for Profit & Loss items for FY 2022-23.

- i. Names of the Subsidiaries which are yet to commence operations: **None**  
ii. Names of subsidiaries which have been liquidated and sold during the year: **None**

### Part 'B': Associate and Joint Ventures:

- i. Names of the Associates / Joint Ventures which are yet to commence operations: None  
ii. Names of Associates / Joint Ventures which have been liquidated or sold during the year: None

### For Creative Newtech Limited



**Ketan Patel**  
**Chairman and Managing Director**  
**DIN: 00127633**

**Date: August 10, 2023**  
**Place: Mumbai**

## Annexure – F CORPORATE SOCIAL RESPONSIBILITY

As part of our CSR initiatives for the FY 2022-23, Creative Newtech has donated Rs. 33.50 lakhs to the Arya Foundation.

While the Companies Act 2013 mandated the Company for a less CSR spend, we at Creative Newtech, wished to withhold the spirit of our social responsibility and contribute in a meaningful manner for the betterment of our society.

The Company strives to continue and enhance its CSR initiatives in the coming years.

### About Arya Foundation.

The Arya Foundation (CSR Registration Number - CSR00032202), is a registered trust with Ministry of Corporate Affairs and Registrar of Companies, is dedicated and compassionate CSR-registered organization that operates with a clear vision of uplifting society across various domains. Through its multifaceted initiatives, the foundation strives to create a positive impact on the lives of those in need.

At the heart of the Arya Foundation's endeavors lies its commitment to eradicating hunger and ensuring the well-being of impoverished families. The foundation has taken a bold step in addressing this critical issue by implementing a robust food distribution system. Irrespective of caste or creed, the foundation reaches out to marginalized communities, providing them with essential food items. This inclusive approach reflects the organization's belief in equality and human dignity.

Beyond addressing immediate needs, the Arya Foundation also extends its efforts towards rural development and environmental preservation. The foundation recognizes the importance of holistic progress and aims to uplift rural communities by promoting sustainable development practices. One of the cornerstones of this approach is its plantation activities, where the foundation contributes to environmental protection while also generating opportunities for local engagement and empowerment.

The Arya Foundation recognizes the pivotal role that education plays in transforming lives and communities. With this understanding, the foundation is actively involved in educational initiatives that create pathways for underprivileged children to access quality education. By doing so, they are not only shaping the future of individuals but also contributing to the overall development of society.

A distinctive feature of the Arya Foundation's operations is its unwavering commitment to women's welfare. The organization believes in empowering women as catalysts for change. Through skill development programs, vocational training, and support networks, the foundation strives to enhance women's socio-economic status and their overall well-being.

In a world where corporate social responsibility is becoming increasingly important, the Arya Foundation stands out as a beacon of hope and positive transformation. With a mission that encompasses food security, environmental sustainability, education, and women's empowerment, the foundation continues to touch lives and create a ripple effect of positive change throughout the community.

Following are the relevant details for CSR 2022-23.

#### 1. COMPOSITION OF CSR COMMITTEE

Mr. Ketan Patel	-	Chairman
Mr. Mihir Shah	-	Member (Independent Director of Company)
Mrs. Purvi Patel	-	Member
Mr. Abhijit Kanvinde	-	Member
Mr. Tejas Doshi	-	Secretary

#### 2. Date of CSR Committee Meeting – 04<sup>th</sup> March, 2023

3. **Average Net Profit for Company for last 3 financial years – Rs. 16,56,27,694/-**

4. **Prescribed CSR Expenditure (i.e. 2% of Point No. 3) – Rs. 33,12,554/-**

5. **Details of CSR spent during the FY 2022-23**

- i. Total Amount required to be spent for FY 2022-23 : Rs. 33,12,554/-
- ii. Total Amount spent for FY 2022-23 : Rs. 33,50,000/-
- iii. Amount unspent, if any: NIL
- iv. Amount spent additionally above prescribed limit : Rs. 37,446/-
- v. Manner in which the amount spent during the FY 2022-23 is as below:

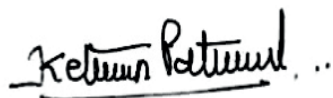
Sr. No.	CSR project or activity identified	Sector in which the Project is covered	Projects or programs (1) Local area or other (2) Specify the State and district where projects or programs were undertaken	Amount outlay (budget) project or program wise	Amount spent on the projects or programs Sub-heads: (1) Direct Expenditure on projects or programs. (2) Overheads:	Cumulative expenditure up to the reporting period	Amount spent: Direct or through implementing agency.
1	Providing Food Items, Plantation, Women's Welfare, Education and other social activities	Rural Development, Community Mobilization, Plantation and food items distributing to needy people	Trust basically implementing and providing food items to the poor and needy families without distinction of caste or creed, Rural development and environment protection and plantation activities.	Rs. 33,50,000	Rs. 33,50,000 Direct Expenditure on Project.  No overhead cost to the Company	Rs. 33,50,000	Amount spent through  Arya Foundation  Reg No. F/21735/AHMD

6. **Reason for not spending the 2% of the Average Net Profit of Last 3 financial year: Not Applicable**

7. **Responsibility Statement of CSR Committee**

The implementation and monitoring of Company's CSR Policy is in compliance with CSR Objectives and policy of the Company.

For Creative Newtech Limited



**Ketan Patel**  
Chairman and Managing Director  
DIN – 00127633

**Date: August 10, 2023**

**Place: Mumbai**

# INDEPENDENT AUDITOR'S REPORT

## TO THE MEMBERS OF CREATIVE NEWTECH LIMITED

Report on the Audit of Standalone Ind AS Financial Statements

### Opinion

We have audited the accompanying Ind AS financial statements of CREATIVE NEWTECH LIMITED (Formerly Known as CREATIVE PERIPHERALS AND DISTRIBUTION LTD.) ("the Company"), which comprise the Balance Sheet as at 31 March 2023, and the Statement of Profit and Loss (including other comprehensive income), Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and Notes to the Financial Statements, including a Summary of Significant Accounting Policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS 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, 2023, and Profit, Total Comprehensive Income, Changes in Equity and its Cash Flows for the year ended on that date.

### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Ind AS financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our unmodified opinion.

### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters

We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key Audit matters	Auditor's Response
1.	<p><b>Revenue Recognition</b></p> <p>The Company recognizes revenues when the control of goods are transferred to the customer at an amount that reflects the net consideration, which the Company expects to receive for those goods and/or services from customers in accordance with the terms of the contracts. In determining the sales price, the Company considers the effects of applicable rebates, and discounts (variable consideration).</p> <p>The terms of sales arrangements, including the timing of transfer of control, based on the terms of relevant contract and nature of discount and rebates arrangements, create complexities that require judgment in determining sales revenues.</p> <p>Considering the above factors and the risk associated with revenue recognition, we have determined the same to be a key audit matter.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> <li>• We read and evaluated the Company's revenue recognition policy and assessed its compliance in terms of Ind AS 115 'Revenue from contracts with customers'.</li> <li>• We assessed the design and tested the operating effectiveness of internal controls related to sales and applicable rebates/discounts.</li> <li>• We performed test for a sample of sales transactions by comparing the underlying sales invoices, sales orders and other related documents to assess that revenue is recognized on transfer of control to the customer in accordance with the terms of the contract.</li> <li>• We tested on a sample basis rebates and discount schemes as approved by the management to assess its accounting. For the samples selected, we also compared that the actual rebates and discounts recognized in respect of particular schemes do not exceed their approved amounts.</li> <li>• We tested on a sample basis, that revenue has been recognized in the proper period with reference to the supporting documents including confirmations from customers.</li> <li>• We read and assessed the relevant disclosures made in the standalone Ind AS financial statements.</li> </ul>
2.	<p><b>Contingent liabilities relating to taxation, litigations and claims</b></p> <p>The provisions and contingent liabilities relate to ongoing litigations and claims with various authorities. These relate to direct tax, various indirect taxes, etc. arising in the regular course of business.</p> <p>The assessment of a provision or contingent liability requires significant judgement by the company because of the inherent complexity in estimating future costs.</p> <p>The amount recognized as a provision is the best estimate made by the management. The provisions and contingent liabilities are subject to changes in the outcomes of litigations and claims and the positions taken by the company. It involves significant judgement and estimation to determine the likelihood and timing of the cash outflows and interpretations of the legal aspects, tax legislations and judgments previously made by authorities.</p>	<p>Our audit procedures included:</p> <ul style="list-style-type: none"> <li>• Understanding the process followed by the company for assessment and determination of the amount for provisions and contingent liabilities relating to taxation, litigations.</li> <li>• Involving subject matter experts with specialized skills and knowledge to assist in the assessment of the value of significant provisions and contingent liabilities relating to pending litigations, on sample basis, in light of the nature of the exposures, applicable regulations and related correspondence with the authorities.</li> <li>• We assessed management's conclusions through discussions held with their in-house legal counsel and understanding precedents in similar cases to establish the likelihood of outflow of economic resources being probable, possible or remote in respect of the litigations.</li> <li>• Assessing the adequacy and appropriateness of the company's disclosures in the financial statements.</li> </ul>

## Other information

The Company's management and Board of Directors is responsible for the other information. The other information comprises the information included in the Company's annual report but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and those charged with governance for the standalone Ind AS financial statements

The Company's Board of Directors is responsible for the matters stated in section 134 (5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with accounting principles generally accepted in India, including Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

### **Auditors' Responsibility for the Audit of the Ind AS Financial Statements**

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the standalone Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone Ind AS financial statements.

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

- Identify and assess the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Ind AS 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 Ind AS financial statements, including the disclosures, and whether the Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

### **Report on other Legal and Regulatory Requirements:**

1. As required by the Companies (Auditor's Report) Order, 2020, ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013 and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanation given to us, we give in "Annexure 1", a statement on the matters specified in paragraphs 3 & 4 of the Order, to the extent applicable.

2. As required by section 143(3) of the Act, we report that:
- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c) The Balance Sheet, the Statement of Profit and Loss including other comprehensive income, the Cash Flow Statement and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
  - d) In our opinion, the aforesaid Ind AS Financial Statements comply with the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act, read with relevant rules issued thereunder.
  - e) On the basis of the written representations received from the directors as on 31st March, 2023, taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2023, from being appointed as a director in terms of Section 164(2) of the Act.
  - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, we give our separate Report in "Annexure 2".
  - g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company has disclosed pending litigations which would impact its financial position in Note no. 35 of the Standalone Ind AS Financial Statements.
    - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
    - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- iv.
- a. The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
  - b. The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in Writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
  - c. Based on such audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.



- v. The dividend declared and paid during the year by the Company is in compliance with Section 123 of the Act.

**FOR GUPTA RAJ & CO.**

**CHARTERED ACCOUNTANTS**

**FIRM NO. 001687N**



**PLACE: MUMBAI**

**DATED: 27<sup>th</sup> May, 2023**

**UDIN: 23112353BGTLR07083**

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**NIKUL JALAN**

**PARTNER**

**Membership No.0112353**

## Annexure 1 to the Independent Auditors' Report

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

(i) In respect of its Property, Plant and Equipment:

(a)

(A) The company has maintained proper records showing full particulars, including quantitative details and situation of the Property, Plant and Equipment.

(B) The company has maintained proper records showing full particulars of intangible assets.

(b) The Property, Plant and Equipment are physically verified by the management according to a phased program designed to cover all the items over a period, which in our opinion is reasonable having regard to the size of the company and the nature of its assets. Pursuant to the program, a portion of the Property, Plant and Equipment have been physically verified by the management during the year and no material discrepancies were noticed on such physical verification.

(c) The title deeds of immovable properties recorded in the books of account of the Company are held in the name of the Company.

(d) The company has not revalued its Property, Plant and Equipment or intangible assets during the year. Thus the requirement on reporting under paragraph 3(i)(d) is not applicable to the Company.

(e) As informed by the management no proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

(ii)

(a) The inventory has been physically verified by management at the year end. In our opinion, the frequency of verification is reasonable. As informed, no material discrepancies were noticed on physical verification carried out during the year.

(b) The Company has been sanctioned working capital limit in excess of Rs 5 crore by banks and/ or financial instruments based on the security of current assets. The quarterly returns/statements, in respect of the working capital limits have been filed by the Company with such banks and such returns/statements are in agreement with the books of account of the Company for the respective periods.

(iii) According to the information and explanation provided to us, during the year, the company has not made any investments or has not provided any guarantee or security, and granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships, or any other parties during the year,.

(a) In our opinion and according to information and explanations given to us, the Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Act. Accordingly, the requirement on reporting under paragraph 3(iii)(a) of the Order is not applicable to the Company.

(b) According to the information and explanation given to us and the records produced to us and based on the audit procedures conducted by us, we are of the opinion that, the Investments made are, prima facie, not prejudicial to the interest of the company.

- (c) The company has no loans and advances in nature of loans. Thus the requirement of reporting under paragraph 3(iii)(c) of the Order is not applicable to the Company.
- (d) The company has not provided any loans and advances. Thus the requirement of reporting under paragraph 3(iii)(d) of the Order is not applicable to the Company.
- (e) The company had not provided any loans and advances which have fallen due during the year. Thus the requirement of reporting under paragraph 3(iii)(d) of the Order is not applicable to the Company.
- (f) The company has not granted any loans and advances, in nature of loans that are either repayable on demand or without specifying the terms of repayment.
- (iv) As per the information and explanation given to us in respect of loans, investments, guarantees and securities, the Company has complied with the provisions of Section 185 and 186 of the Act.
- (v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public within the provisions of Sections 73 to 76 of the Act and the rules framed there under. Therefore, the provisions of clause (v) of paragraph 3 of the Order are not applicable to the Company.
- (vi) As per the information and explanations given to us, in respect of the class of industry in which the Company falls, the maintenance of cost records has not been prescribed by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013. Therefore, the provisions of clause (vi) of paragraph 3 of the Order are not applicable to the Company.
- (vii) In respect of statutory dues:
- (a) According to the information and explanations given to us, undisputed statutory dues, including Goods and Service tax, Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, cess and other material statutory dues applicable to the Company have been regularly deposited by it with the appropriate authorities in all cases during the year. There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, cess and other material statutory dues in arrears as at March 31, 2023 for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us, there are no dues of GST, Provident fund, Employees' State Insurance, Income-tax, Sales tax, Service tax, Duty of Customs, Value added tax, Cess or other statutory dues which have not been deposited by the Company on account of disputes, except for the following:

Name of Statute	Nature of Dues	Amount (Rs in Lakhs)	Period
The Income Tax Act, 1961	Penalty demand	3.96	Financial Year 2008-09
The Income Tax Act, 1961	Interest Demand	0.69	Financial Year 2008-09
The Income Tax Act, 1961	Outstanding Tax Demand	5.26	Financial Year 2007-08
The Income Tax Act, 1961	Outstanding Tax Demand - CPC	3.59	Financial Year 2017-18
The Income Tax Act, 1961	Outstanding Tax Demand	25.78	Financial Year 2019-20
The Goods and Services Tax Act, 2017	GST Assessment - DGGI	128.45	-

The Goods and Services Tax Act, 2017	GST AUDIT	14.04	Financial Year 2017-21
The Central Sales Tax Act, 1956 and Value Added Tax Act	Custom Duty (Showcause Notice)	186.19	
The Central Sales Tax Act, 1956 and Value Added Tax Act	Custom Duty (Showcause Notice)	230.34	-
The Central Sales Tax Act, 1956 and Value Added Tax Act	Custom Duty (Showcause Notice for Penalty)	481.38	-
The Central Sales Tax Act, 1956 and Value Added Tax Act	Outstanding tax demand with respect to VAT/ CST	78.67	Financial Year 2013-14, 2014-15, 2015-16, 2016-17

(viii) During the course of our examination of the books and records of the Company and according to the information and explanation given to us there were no transactions relating to previously unrecorded income that were surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 during the year.

(ix)

- (a) According to the information and explanation given to us, the records produced to us and on the basis of our examination of records of the company, the company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
- (b) The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.
- (c) According to the information and explanation given to us, the records produced to us and on the basis of our examination of records of the company, the term loans were applied for the purpose for which the loans were obtained.
- (d) According to the information and explanation given to us, the funds raised on short term basis have not been utilized for long term purposes.
- (e) According to the information and explanation given to us, the company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
- (f) According to the information and explanation given to us, the Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.

(x)

- (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instrument) or term loans hence reporting under clause (x)(a) of the order is not applicable to Company.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.

(xi)

- (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud

by the Company or any fraud on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such instance by the management.

(b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules with the Central Government.

(c) As informed by the management no whistle blower complaints has been received by the Company during the year.

(xii) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause (xii) of paragraph 3 of the Order are not applicable to the Company.

(xiii) As per the information and explanation given to us, all transactions entered into by the Company with the related parties are in compliance with Sections 177 and 188 of Act, where applicable and the details have been disclosed in the Financial Statements as required by the applicable Accounting Standards.

(xiv)

(a) Based on information and explanations provided to us and as per our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.

(b) We have considered the internal audit reports of the Company issued till the even date for the period under Audit.

(xv) In our opinion during the year the Company has not entered into any non-cash transactions with its directors or persons connected with him and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

(xvi)

a. As per the information and explanation given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Hence the provisions of (xvi) of the Order is not applicable to the Company.

b. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable.

c. The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.

d. According to the information and explanations provided to us, the Group (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016) has no CIC as part of the Group accordingly the clause 3(xvi)(d) of the order is not applicable.

(xvii) The Company has not incurred cash losses during the financial year and the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.

(xix) According to the information and explanations given to us and 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, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all

liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

- (xx) In our opinion and according to the information and explanations given to us, The Company has fully spent the required amount towards Corporate Social Responsibility (CSR) and there is no unspent CSR amount for the year requiring a transfer to a Fund specified in Schedule VII to the Companies Act or special account in compliance with the provision of sub-section (6) of section 135 of the said Act. Accordingly, reporting under clause (xx) of the Order is not applicable for the year.

**FOR GUPTA RAJ & CO.**

**CHARTERED ACCOUNTANTS**

**FIRM NO. 001687N**



**PLACE: MUMBAI**

**DATED: 27<sup>th</sup> May, 2023**

**UDIN: 23112353BGTLR07083**

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**NIKUL JALAN**

**PARTNER**

**Membership No.0112353**

## **Annexure 2 to the Independent Auditors' Report**

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

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

### **Opinion**

We have audited the internal financial controls over financial reporting of CREATIVE NEWTECH LIMITED (Formerly Known as CREATIVE PERIPHERALS AND DISTRIBUTION LTD.) ("the Company") as of 31st March, 2023 in conjunction with our audit of the Ind AS 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 system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2023, 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 ICAI. Our opinion is not modified in respect of this matter.

### **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 specified under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both issued by the ICAI. 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 judgement, 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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised 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.

**FOR GUPTA RAJ & CO.**

**CHARTERED ACCOUNTANTS**

**FIRM NO. 001687N**



**PLACE: MUMBAI**

**DATED: 27<sup>th</sup> May, 2023**

**UDIN: 23112353BGTLR07083**

**NIKUL JALAN**

**PARTNER**

**Membership No.0112353**



**Standalone Balance Sheet as at 31 March, 2023**
**(Rs. in Lakhs)**

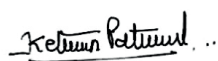
Particulars	Notes	As at 31st March, 2023	As at 31st March, 2022
<b>ASSETS</b>			
Non-Current Assets			
(a) Property, Plant and Equipment	2	957.29	1,037.92
(b) Intangible Assets	3	13.96	18.50
(c) Financial Assets			
(i) Investments	4	50.46	50.46
(d) Deferred Tax Assets (Net)	5	25.17	16.72
(e) Other Non Current Assets	6	0.20	0.13
<b>Total Non - Current Assets</b>		<b>1,047.08</b>	<b>1,123.73</b>
Current Assets			
(a) Inventories	7	7,758.79	9,657.80
(b) Financial Assets			
(i) Trade Receivables	8	6,755.50	8,060.32
(ii) Cash and Cash Equivalents	9	60.01	52.76
(iii) Bank Balances other than (ii) above	10	660.33	538.11
(iv) Other Financial Assets	11	9.19	5.38
(c) Other Current assets	12	9,167.79	5,192.43
<b>Total Current Assets</b>		<b>24,411.61</b>	<b>23,506.80</b>
<b>Total Assets</b>		<b>25,458.69</b>	<b>24,630.53</b>
<b>EQUITY AND LIABILITIES</b>			
Equity			
(a) Equity Share Capital	13	1,260.00	1,200.00
(b) Other Equity	14	8,794.25	6,171.80
(c) Money Received against Share Warrant			165.00
<b>Total Equity</b>		<b>10,054.25</b>	<b>7,536.80</b>
<b>LIABILITIES</b>			
<b>Non-Current Liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	15	912.05	1,036.37
(b) Provisions	16	90.86	95.20
<b>Total Non - Current Liabilities</b>		<b>1,002.91</b>	<b>1,131.57</b>
<b>Current Liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	17	7,979.60	5,396.77
(ii) Trade Payables			
- total outstanding dues of Micro Enterprises and Small Enterprises	18	113.68	972.55
- total outstanding dues of creditors other than Micro Enterprises and Small Enterprises		3,832.16	6,169.76
(iii) Other Financial Liabilities	19	1,374.70	2,663.71
(b) Other Current Liabilities	20	1,033.56	656.37
(c) Provisions	21	34.57	14.17
(d) Current Tax Liabilities (Net)	22	33.26	88.83
<b>Total Current Liabilities</b>		<b>14,401.53</b>	<b>15,962.16</b>
<b>Total Equity and Liabilities</b>		<b>25,458.69</b>	<b>24,630.53</b>
Significant Accounting Policies and Notes are an integral part of the Financial Statements	1 - 48		

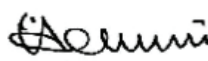
As per our attached report of even date

**For Gupta Raj and Co.**  
 Chartered Accountants  
 Firm reg No : 001687N


**CA Nikul Jalan (Partner)**  
 Membership No. 112353  
 Mumbai, Dated: 27th May, 2023

**For and on Behalf of the Board of Directors**  
 of Creative Newtech Limited


**Ketan C Patel**  
 Chairman and Managing  
 Director  
 DIN: 00127633


**Vijay Advani**  
 Whole - Time Director  
 DIN: 02009626


**Abhijit Kanvinde**  
 Chief Financial Officer


**Tejas Doshi**  
 Chief Compliance  
 Officer and Company  
 Secretary

**Standalone Statement of Profit and Loss for the year ended 31st March, 2023**

(Rs. in Lakhs)

Particulars	Notes	For the Year Ended 31st March, 2023	For the Year Ended 31st March, 2022
<b>Revenue</b>			
Revenue from Operations	23	1,34,830.12	93,233.59
Other Income	24	949.59	76.49
<b>Total Income</b>		<b>1,35,779.71</b>	<b>93,310.08</b>
<b>Expenses</b>			
(a) Purchases of Stock in Trade	25	1,25,580.56	89,487.21
(b) Changes in inventories of Stock in Trade	26	1,899.01	(3,698.98)
(c) Employee Benefits Expenses	27	1,370.39	1,147.18
(d) Finance Costs	28	931.03	600.19
(e) Depreciation and Amortisation Expense	2 & 3	156.59	148.98
(f) Other Expenses	29	3,067.66	3,326.01
<b>Total Expenses</b>		<b>1,33,005.24</b>	<b>91,010.59</b>
<b>Profit/(Loss) before Exceptional &amp; Extraordinary item and Tax</b>		<b>2,774.47</b>	<b>2,299.49</b>
Exceptional and Extraordinary Item			
Loss by Fire and Theft (Refer Note No. for more details)	43	-	12.57
<b>Total Exceptional and Extraordinary Item</b>		<b>-</b>	<b>12.57</b>
<b>Profit/(Loss) before Tax</b>		<b>2,774.47</b>	<b>2,286.92</b>
<b>Tax Expense</b>			
(a) Current Tax	30	698.28	575.57
(b) Deferred Tax	30	(8.45)	(7.27)
<b>Total Tax Expense</b>		<b>689.83</b>	<b>568.30</b>
<b>Profit for the year</b>		<b>2,084.64</b>	<b>1,718.62</b>
<b>Other Comprehensive Income</b>			
(i) Items that will not be reclassified to profit or loss			
(a) Remeasurements of Defined Benefit Plans		1.09	1.09
(b) Income Tax on above		(0.27)	(0.27)
(ii) Items that will be reclassified to profit or loss		-	-
<b>Total Other Comprehensive Income for the year</b>		<b>0.82</b>	<b>0.82</b>
<b>Total Comprehensive Income for the year</b>		<b>2,085.46</b>	<b>1,719.44</b>
<b>Earnings per Equity Share of ₹ 10 par value :</b>	31		
Basic (Rs. per share)		16.54	14.32
Diluted (Rs. per share)		16.54	13.85
Significant Accounting Policies and Notes are an integral part of the Financial Statements	1-48		

As per our attached report of even date

 For Gupta Raj and Co.  
Chartered Accountants  
Firm reg No : 001687N

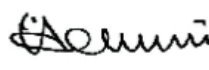


 CA Nikul Jalan (Partner)  
Membership No. 112353  
Mumbai, Dated: 27th May, 2023

 For and on Behalf of the Board of Directors  
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Chairman and Managing  
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Whole - Time Director  
DIN: 02009626



 Abhijit Kanvinde  
Chief Financial Officer



 Tejas Doshi  
Chief Compliance  
Officer and Company  
Secretary

**Standalone Statement of Cash Flow for the year ended 31st March, 2023** (Rs. in Lakhs)

Particulars	For the year ended 31st March, 2023	For the year ended 31st March, 2022
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit / (Loss) Before Tax	2,774.47	2,286.92
<b>Adjustments for</b>		
Depreciation and Amortisation	156.59	148.98
Finance Cost	759.39	450.29
Interest on late payment	-	0.62
Interest on FD and ICD	(31.49)	(22.25)
OCI Amount	1.09	1.09
Loss by Fire and theft	-	12.57
Provisions for expense	16.06	39.40
<b>Operating Profit Before Working Capital Changes</b>	<b>3,676.11</b>	<b>2,917.62</b>
<b>Adjustments for increase / decrease in:</b>		
Trade receivables	1,304.83	(2,660.96)
Other Financial Assets and other Current Assets	(3,979.17)	748.63
Inventories	1,899.01	(3,711.55)
Trade payable, Other Financial & Current Liabilities	(4,108.30)	1,447.56
Other Non Current Assets	(0.07)	(0.10)
<b>Cash generated from operations</b>	<b>(1,207.59)</b>	<b>(1,258.81)</b>
Income-tax (paid) / refund (net)	(753.32)	(623.34)
<b>Net cash flow used in operating activities</b>	<b>(1,960.91)</b>	<b>(1,882.15)</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of PPE, intangible assets and work in progress	(71.42)	(198.82)
Purchase of Investments	-	(1.00)
Income from Investments i.e. FD and ICD	31.49	22.25
Investment & Redemption in bank deposit (having maturity more than 3 months)	(122.22)	(138.65)
<b>Net cash flow used in investing activities</b>	<b>(162.15)</b>	<b>(316.22)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Repayment of Long-term Borrowings	(124.32)	694.32
Repayment of Short-term Borrowings (net)	2,582.02	1,446.44
Finance Cost Paid	(759.39)	(450.91)
Issue of Equity Share	495.00	440.00
Issue of Share Warrant	-	165.00
Dividend and DDT Paid	(63.00)	(60.00)
<b>Net cash flow from financing activities</b>	<b>2,130.31</b>	<b>2,234.85</b>
<b>Net increase / (decrease) in cash and cash equivalents</b>	<b>7.25</b>	<b>36.49</b>
<b>Cash and cash equivalents as at the beginning of the year</b>	<b>52.76</b>	<b>16.27</b>
<b>Cash and cash equivalents as at the end of the year (Refer note No. 9)</b>	<b>60.01</b>	<b>52.76</b>

Notes:

1.The Statement of Cash flow has been prepared under the indirect method as set out in Ind AS 7 specified under section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014.

2.As per the amendment in Ind AS 7 "Statement of Cash Flow": Disclosure of changes in Liabilities arising from financing activities, including both changes arising from cash flows and non cash changes

**For the year ended 31st March, 2023**

Particulars	As at 1st April, 2022	Cash Flows	Non Cash Changes	As at 31st March, 2023
Non Current Borrowings	1036.37	(124.32)	-	912.05
Current Borrowings	5396.77	2582.83	-	7979.60
<b>For the year ended 31st March, 2022</b>	<b>As at 1st April, 2021</b>	<b>Cash Flows</b>	<b>Non Cash Changes</b>	<b>As at 31st March, 2022</b>
Non Current Borrowings	342.05	694.32	-	1036.37
Current Borrowings	3950.33	1446.44	-	5396.77

3.Figures in bracket indicate Cash Outflow.

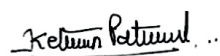
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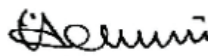
For and on Behalf of the Board of Directors  
of Creative Newtech Limited



CA Nikul Jalan (Partner)  
Membership No. 112353  
Mumbai, Dated: 27th May, 2023



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Chairman and Managing  
Director  
DIN: 00127633



Vijay Advani  
Whole - Time Director  
DIN: 02009626



Abhijit Kanvinde  
Chief Financial Officer



Tejas Doshi  
Chief Compliance  
Officer and Company  
Secretary

**Standalone Statement of Changes in Equity for the Year ended 31st March, 2023**

(Rs. in Lakhs)

A. Equity Share Capital		
Particulars	No. of Shares	Total
<b>As at April 1, 2021</b>	<b>1,16,00,000</b>	<b>1,160 .00</b>
Issue of share during the year (Refer note no. 13 )	4,00,000	40.00
<b>As at April 1, 2022</b>	<b>1,20,00,000</b>	<b>1,200 .00</b>
Issue of share during the year (Refer note no. 13 )	6,00,000	60.00
<b>As at March 31, 2023</b>	<b>1,26,00,000</b>	<b>1,260.00</b>

B.1 Other Equity					
Particulars	Reserves and Surplus		Money received against Share Warrants	Other Comprehensive Income - Remeasurement of Defined Benefit Plans	Total
	Securities Premium	Retained Earnings			
<b>Balance as at April 1, 2022</b>	<b>990.00</b>	<b>5,183.24</b>	<b>165.00</b>	<b>(1.45)</b>	<b>6,336.79</b>
Profit / (Loss) for the year	-	2,084.64	-	-	2,084.64
Issue on Shares	-	-	(165.00)	-	(165.00)
Other Comprehensive Income/ (Loss) for the year	-	-	-	1.09	1.09
Income Tax on above	-	-	-	(0.27)	(0.27)
<b>Total Comprehensive Income for the year</b>	<b>990.00</b>	<b>7,267.88</b>	<b>-</b>	<b>(0.63)</b>	<b>8,257.25</b>
Dividend	-	(63.00)	-	-	(63.00)
Share Premium	600.00	-	-	-	600.00
<b>Balance as at March 31, 2023</b>	<b>1,590.00</b>	<b>7,204.88</b>	<b>-</b>	<b>(0.63)</b>	<b>8,794.25</b>

B.2 Other Equity					
Particulars	Reserves and Surplus		Money received against Share Warrants	Other Comprehensive Income - Remeasurement of Defined Benefit Plans	Total
	Securities Premium	Retained Earnings			
Balance as at April 1, 2021	590.00	3,524.62	-	(2.26)	4,112.36
Issue on Shares	400.00	-	-	-	400.00
Profit / (Loss) for the year	-	1,718.62	-	-	1,718.62
Other Comprehensive Income/ (Loss) for the year	-	-	-	1.09	1.09
Income Tax on above	-	-	-	(0.27)	(0.27)
<b>Total Comprehensive Income for the year</b>	<b>990.00</b>	<b>5,243.23</b>	<b>-</b>	<b>(1.45)</b>	<b>6,231.80</b>
Dividend	-	(60.00)	-	-	(60.00)
Share Warrant	-	-	165.00	-	165.00
<b>Balance as at March 31, 2022</b>	<b>990.00</b>	<b>5,183.23</b>	<b>165.00</b>	<b>(1.45)</b>	<b>6,336.80</b>

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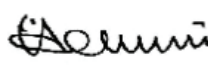


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 Membership No. 112353  
 Mumbai, Dated: 27th May, 2023

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 Abhijit Kanvinde  
 Chief Financial Officer



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 Officer and Company  
 Secretary

# NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS - Note 1

## CORPORATE INFORMATION

Creative Newtech Limited (Formerly known as Creative Peripherals and Distribution Limited) is a Company domiciled in India and incorporated on 22nd September, 2004 under the provisions of the Companies Act, 1956 located at 3rd & 4th Floor, Plot No 137 AB, Kandivali Co-op Industrial Estate Limited, Charkop, Kandivali West, Mumbai - 400067. The Company's shares are listed on the NSE Ltd.

Creative Newtech Limited is a Go-to-Market and distribution specialist for Global IT, Imaging and Lifestyle brands. The Company has an omni - channel presence, with branches across India. Creative's B2B e Commerce platform caters to a wide range of sub-distributors, retailers and other customers, and serves as a one-stop-shop offering end-to-end solutions for them. The Company is also developing an e commerce platform "C kart" for B2B transaction which will be launched in current year. The company caters to the Indian as well as international markets

The Financial Statements for the year ended March 31, 2023 were approved by the Board of Directors on 27th May, 2023.

### 1) SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies applied by the Company in the preparation of its financial statements are listed below. Such accounting policies have been applied consistently to all the periods presented in these financial statements and in preparing the Ind AS Balance Sheet, Statement of Profit and Loss Account, Statement of Cash Flow, Statement of changes in equity and notes forming part of financials.

#### a) BASIS OF PREPARATION OF FINANCIAL STATEMENTS

These financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) under the historical cost convention on the accrual and going concern basis except for certain financial instruments which are measured at fair values as per the provisions of the Companies Act, 2013 ('the Act') (to the extent notified) and guidelines issued by the Securities and Exchange Board of India (SEBI). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and the relevant amendment rules issued thereafter.

Accounting policies have been consistently applied except where a newly-issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

#### b) USE OF ESTIMATES

The preparation of these financial statements in conformity with the recognition and measurement principles of Ind AS requires the management of the Company to make estimates and assumptions that affect the reported balances of assets and liabilities, disclosures relating to contingent liabilities as at the date of the financial statements and the reported amounts of income and expense for the periods presented. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods are affected. Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the company and that are believed to be reasonable under the circumstances. Information about critical judgments in applying accounting policies, as well as estimates and assumptions that have the most significant effect to the carrying amounts of assets and liabilities within the next financial year, are as follows:

- Determination of the estimated useful lives of tangible assets and the assessment as to which component of the cost may be capitalized – refer point 1(d) of significant accounting policies
- Determination of the estimated useful lives of Intangible assets and the assessment as to which component of the cost may be capitalized – refer point 1(e) of significant accounting policies
- Recognition and measurement of defined benefit obligations – refer note no. 34
- Recognition of deferred tax assets – refer note no. 5
- Provisions and Contingent Liabilities – refer note no. 35
- Revenue recognition for Price Support – refer point 1(k) of significant accounting policies

#### c) **CURRENT AND NON - CURRENT CLASSIFICATION**

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current. A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents.

The Company has identified twelve months as its operating cycle.

#### d) **PROPERTY, PLANT AND EQUIPMENT**

Property, Plant and Equipment are stated at acquisition cost, net of accumulated depreciation and accumulated impairment losses, if any. Cost includes acquisition cost and any capital expenditure directly attributable to the cost of acquisition. All other repair and maintenance costs that do not enhance the life or benefit of the property, plant and equipment are recognised in profit or loss as incurred.

Gains or losses arising on retirement or disposal of property, plant and equipment are recognised in the Statement of Profit and Loss.

Property, plant and equipment which are not ready for intended use as on the date of Balance Sheet are disclosed as “Capital work-in-progress”.

#### DEPRECIATION METHODS, ESTIMATED USEFUL LIFE AND RESIDUAL VALUE:

Depreciation is provided on the Written Down method on the estimated useful life as prescribed under Schedule II to the Companies Act, 2013 to allocate the cost of assets, net of their residual values, over their estimated useful lives. Depreciation is calculated on a pro-rata basis from the date of acquisition/installation till the date the assets are sold or disposed of:

<b>Asset category</b>	<b>Estimated useful life</b>
Buildings	60 years
Office equipment	5 years
Vehicle	8 years
Furniture & Fixture	10 years
Electrical Installation and Equipments	10 years
Computers and Other end devices	3 years

The residual values are not more than 5% of the original cost of the asset. The residual values, useful lives and method of depreciation of property, plant and equipment is reviewed at each financial year end and adjusted prospectively, if appropriate.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on disposal or retirement of an item of property, plant and equipment is determined as the difference between sales proceeds and the carrying amount of the asset and is recognised in profit or loss. Fully depreciated assets still in use are retained in financial statements.

#### e) **INTANGIBLE ASSETS**

Intangible Assets are recognized only when future economic benefits arising out of the assets flow to the enterprise and are amortised over their useful life 6 years as decided by the management. Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, if any. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in Statement of Profit and Loss in the period in which the expenditure is incurred. Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.

<b>Asset category</b>	<b>Estimated useful life</b>
Software	6 years

#### f) **INVESTMENT IN SUBSIDIARIES**

Investments in subsidiaries are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. Any disposal of investments in subsidiaries, the difference between net disposal proceeds and the carrying amounts are recognized in the Statement of Profit and Loss.

#### g) **INVENTORIES**

Inventories are valued at the lower of cost and net realizable value. Cost includes cost of purchase and other cost incurred in bringing the inventories to their present location and condition. Cost is determined on First in First out (FIFO) basis. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

#### h) **CASH AND CASH EQUIVALENTS**

Cash and cash equivalent for the purpose of presentation in cash flow statement and in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less that are readily convertible to known amounts of cash, which are subject to an insignificant risk of changes in value.

## **i) FINANCIAL INSTRUMENTS**

Financial assets and liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability.

### **FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME (FVTOCI)**

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows that give rise on specified dates to solely payments of principal and interest on the principal amount outstanding and by selling financial assets.

The Company has made an irrevocable election to present subsequent changes in the fair value of equity investments not held for trading in Other Comprehensive Income

### **FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (FVTPL)**

Financial assets are measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in profit or loss.

## **FINANCIAL LIABILITIES**

All financial liabilities are recognised initially at fair value and in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and other current liabilities.

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. The EIR amortisation is included as finance costs in the Statement of Profit and Loss.

## **OFF SETTING OF FINANCIAL INSTRUMENTS**

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

## **j) FAIR VALUE MEASUREMENT**

- i. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date under current market conditions regardless of whether that price is directly observable or estimated using another valuation technique. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:
  - In the principal market for the asset or liability or
  - In the absence of a principal market, in the most advantageous market for the asset or liability.



- ii. The principal or the most advantageous market must be accessible by the Company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.
- iii. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.
- iv. All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:
  - Level 1 - This hierarchy uses quoted (unadjusted) market prices in active markets for identical assets or liabilities.
  - Level 2 - The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on company specific estimates.
  - Level 3 - If the lowest level input that is significant to the fair value measurement is not based on observable market data.

#### k) **PROVISIONS AND CONTINGENT LIABILITIES**

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance Sheet date. If the effect of the time value of money is material, provisions are discounted to reflect its present value using a current pre-tax rate that reflects the current market assessments of the time value of money and the risks specific to the obligation. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

##### Post - Sales Support

The company is mainly in to B-2-B distribution of branded products and works on pure Agent and Principal relationship, hence no provision are required since the obligation for post sales service is not on the company and the same is provided by the brand itself.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

#### l) **REVENUE RECOGNITION**

Revenue from sale of goods is recognised when all the significant risks and rewards of ownership in the goods are transferred to the buyer as per the terms of the contract, there is no continuing managerial involvement with the goods and the amount of revenue can be measured reliably. The Company retains no effective control of the goods transferred to a degree usually associated with ownership and no significant uncertainty exists regarding the amount of the consideration that will be derived from the sale of goods. Revenue is measured at fair value of the consideration received or receivable, after deduction of any trade discounts, volume rebates and any taxes or duties collected on behalf of the government which are levied on sales such as GST etc. Export Sales are booked at the rate on the date of transaction and the resultant Gain/ Loss on realisation or on translation is accounted as "Foreign Exchange Rate Fluctuation" and is dealt with in the statement of Profit and Loss Account.

Income from services rendered is recognised based on agreements/ arrangements with the customers at the reporting date and the amount of revenue can be measured reliably.

Export Entitlements are recognised when the right to receive the entitlements is established and there is no conditions involved where the reversal of entitlements is required. When the export entitlements is received the same is setoff with the Export Entitlements receivable.

Interest income is recognized using the effective interest rate (EIR) method when it is probable that economic benefits will flow to the Company and the amount of income can be measured reliably.

m) **EXPENDITURE**

Expenses are accounted on accrual basis.

n) **EMPLOYEE BENEFITS**

i) **SHORT TERM EMPLOYEE BENEFITS**

Short-term employee benefits are employee benefits (other than termination benefits) that are expected to be settled wholly before twelve months such as salaries, bonuses, performance incentives, etc., after the end of the annual reporting period in which the employees render the related service. The Company recognises above short term employee benefits directly to Statement of Profit and Loss as an expense in the year in which services are rendered.

ii) **DEFINED CONTRIBUTION PLANS**

Contributions to defined contribution schemes such as employees' state insurance, labour welfare fund, superannuation scheme, employee pension scheme etc. are charged as an expense based on the amount of contribution required to be made as and when services are rendered by the employees. Company's provident fund contribution, in respect of certain employees, is made to a government administered fund and charged as an expense to the Statement of Profit and Loss. The above benefits are classified as Defined Contribution Schemes as the Company has no further defined obligations beyond the monthly contributions.

iii) **DEFINED BENEFIT PLANS**

The Company also provides for retirement/post-retirement benefits in the form of gratuity, pensions (in respect of certain employees) For defined benefit plans, the amount recognised as 'Employee benefit expenses' in the Statement of Profit and Loss is the cost of accruing employee benefits promised to employees over the year and the costs of individual events such as past/future service benefit changes and settlements (such events are recognised immediately in the Statement of Profit and Loss). Any differences between the interest income/ loss on plan assets and the return actually achieved, and any changes in the liabilities over the year due to changes in actuarial assumptions or experience adjustments within the plans, are recognised immediately in 'Other comprehensive income' and subsequently not reclassified to the Statement of Profit and Loss.

o) **IMPAIRMENT OF NON FINANCIAL ASSETS**

Assessment for impairment is done at each Balance Sheet date as to whether there is any indication that a non-financial asset may be impaired. If any indication of impairment exists, an estimate of the recoverable amount of the individual asset/cash generating unit is made. Asset/cash generating unit whose carrying value exceeds their recoverable amount are written down to the recoverable amount by recognising the impairment loss as an expense in the Statement of Profit and Loss. The impairment loss is allocated to reduce the carrying amount of assets of the unit, pro rata based on the carrying amount of each asset in the unit. Recoverable amount is higher of an asset's or cash generating unit's fair value less cost of disposal and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset or cash generating unit and from its disposal at the end of its useful life. Assessment is also done at each Balance Sheet date as to whether there is any indication that an impairment loss recognised for an asset in prior accounting periods may no longer exist or may have decreased, basis the assessment a reversal of an impairment loss for an asset is recognised in the Statement of Profit and Loss account.

p) **TAXES ON INCOME**

Income tax expense comprises current and deferred tax and is recognized in the Statement of Profit and Loss except to the extent that it relates to a business combination or to an item which is recognized directly in equity or in other comprehensive income.

## **CURRENT TAX**

Current tax is the expected tax payable/receivable on the taxable income/ loss for the year using applicable tax rates at the Balance Sheet date, and any adjustment to taxes in respect of previous years. It is measured using tax rates enacted or substantively enacted at the reporting date.

## **DEFERRED TAX**

Deferred tax is recognised in respect of temporary differences between the carrying amount of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. A deferred tax liability is recognised based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted, or substantively enacted, by the end of the reporting period.

Deferred tax assets are recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis. Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities; and the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority.

### **q) LEASES**

Ind AS 116 requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Company makes an assessment on the expected lease term on a lease-by-lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the company considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of the lease and the importance of the underlying asset to company's operations taking into account the location of the underlying asset and the availability of suitable alternatives. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances.

The Company's significant leasing arrangements are in respect of premises used for business, are accounted as a short term lease. The aggregate lease rentals payable are charged as rent in the statement of profit and loss (Refer note 29 of the Financials). These lease arrangements are cancellable in nature and can be terminated by giving notice for a period, which vary from one months to three months.

### **r) FOREIGN CURRENCY TRANSACTION**

The financial statements are presented in INR, the functional currency of the Company. Items included in the financial statements of the Company are recorded using the currency of the primary economic environment in which the Company operates (the 'functional currency'). Foreign currency transactions are recorded at the rate of exchange prevailing on the date of the transactions. At the year end, all the monetary assets and liabilities denominated in foreign currency are restated at the closing exchange rates. Exchange differences resulting from the settlement of such transactions and from the translation of such monetary assets and liabilities at the year end are recognised in the Statement of Profit and Loss.

### **s) EARNINGS PER SHARE**

Basic earnings per share is computed by dividing the net profit for the period attributable to the equity shareholders of the Company by the weighted average number of equity shares outstanding during the period. The Company did not have any potentially dilutive securities in any of the year presented.

**Note 2**

(Rs. in Lakhs)

**Property, Plant and Equipment consist of the following as on March 31, 2023**

Particulars	Building	Computer and Data Processing Units	Electrical Installation and Equipments	Furniture and Fittings	Motor Vehicles	Office Equipment	Plant and Machinery	Total
<b>At cost or deemed cost</b>								
Balance as at 1st April, 2022	888.11	170.80	39.51	126.48	132.45	159.76	73.76	1590.85
Additions made in the Year 2022-23	-	26.78	8.89	21.52		14.23		71.42
Disposals made in the Year 2022-23	-	-	-	-	-	-	-	-
<b>Balance as at 31st March, 2023</b>	<b>888.11</b>	<b>197.58</b>	<b>48.40</b>	<b>148.00</b>	<b>132.45</b>	<b>173.99</b>	<b>73.76</b>	<b>1662.27</b>
<b>Accumulated Depreciation and Amortisation:</b>								
Balance as at 1st April, 2022	145.47	137.92	15.14	54.28	53.94	116.49	29.69	552.93
Depreciation charge for the Year 2022-23	36.17	27.11	8.09	20.70	24.12	22.10	13.76	152.05
Disposals made for the Year 2022-23	-	-	-	-	-	-	-	-
<b>Balance as at 31st March, 2023</b>	<b>181.64</b>	<b>165.03</b>	<b>23.23</b>	<b>74.98</b>	<b>78.06</b>	<b>138.59</b>	<b>43.45</b>	<b>704.98</b>
<b>Net Carrying amount as at 31st March, 2023</b>	<b>706.47</b>	<b>32.55</b>	<b>25.17</b>	<b>73.02</b>	<b>54.38</b>	<b>35.40</b>	<b>30.31</b>	<b>957.29</b>

**Property, Plant and Equipment consist of the following as on March 31, 2022**

(Rs. in Lakhs)

Particulars	Building	Computer and Data Processing Units	Electrical Installation and Equipments	Furniture and Fittings	Motor Vehicles	Office Equipment	Plant and Machinery	Total
<b>At cost or deemed cost</b>								
Balance as at 1st April, 2021	888.11	143.47	26.99	102.41	54.48	126.17	51.75	1393.36
Additions made in the Year 2021-22	-	27.33	12.52	24.07	77.97	33.59	22.01	197.49
Disposals made in the Year 2021-22	-	-	-	-	-	-	-	-
<b>Balance as at 31st March, 2022</b>	<b>888.11</b>	<b>170.80</b>	<b>39.51</b>	<b>126.48</b>	<b>132.45</b>	<b>159.76</b>	<b>73.76</b>	<b>1590.85</b>
<b>Accumulated Depreciation and Amortisation:</b>								
Balance as at 1st April, 2021	107.45	117.91	8.80	33.02	36.74	93.11	11.35	408.38
Depreciation charge for the Year 2021-22	38.02	20.01	6.33	21.26	17.20	23.38	18.34	144.55
Disposals made for the Year 2021-22	-	-	-	-	-	-	-	-
<b>Balance as at 31st March, 2022</b>	<b>145.47</b>	<b>137.92</b>	<b>15.14</b>	<b>54.28</b>	<b>53.94</b>	<b>116.49</b>	<b>29.69</b>	<b>552.93</b>
<b>Net Carrying amount as at 31st March, 2022</b>	<b>742.63</b>	<b>32.88</b>	<b>24.38</b>	<b>72.19</b>	<b>78.50</b>	<b>43.27</b>	<b>44.07</b>	<b>1037.92</b>

Note:

- The Company has measured all its Property, Plant and Equipment at the Previous GAAP Cost as its deemed cost on the date of transition to Ind AS.
- The Valuation of Property, Plant and Equipment has been taken, valued and certified by the managing director of the company.
- The management has reviewed the carrying values of the Property Plant and Equipment for impairment at the year end and it is concluded that no property, plant and equipments requires Impairment of Assets.
- Movable Plant and Equipment's (fixed assets) are hypothecated with Axis Bank, HDFC and SBI Bank against bank finance.
- Building is hypothecated with SBI Bank as collateral for Fund and Non fund based facility obtained from Bank.

**Note 3: Non Current: Intangible Assets** (Rs. in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Computer Software	18.50	21.60
Addition during year	-	1.33
<b>Less: Amortization</b>	(4.54)	(4.43)
<b>Total</b>	<b>13.96</b>	<b>18.50</b>

Note: Computer Software includes development charges of an e-commerce website "C - Kart". The management has determined the useful life of 6 years for computer software and shall be amortised accordingly.

**Note 4: Non Current: Financial Assets** (Rs. in Lakhs)

Particulars	As at March 31, 2023	As at Mar 31, 2022
<b>(a) Investments</b>		
<b>Investments measured at Cost:</b>		
<b>In Equity Instruments of Subsidiary</b>		
- Creative Peripherals and Dist. Ltd. (Hongkong) 546000 shares of HKD* 1 face value	48.81	48.81
- Secure Connection Ltd. (Hongkong) 7000 shares of HKD* 1 face value	0.65	0.65
- Creative Ecommerce Ventues Pvt Ltd. 10000 shares of INR 10 face value	1.00	1.00
<b>*HKD - Hong Kong Dollar</b>	<b>50.46</b>	<b>50.46</b>
<b>Quoted / Unquoted summary of above:</b>		
Quoted Investments	-	-
Unquoted Investments	50.46	50.46
<b>Less: Impairment in value of Investments</b>	-	-
<b>Total</b>	<b>50.46</b>	<b>50.46</b>

**Note: Information of Subsidiaries:**

Sr. No.	Name of Subsidiary	Principal Activity	Place of Incorporation	Principal place of Business	Proportion of ownership interest held	
					As at 31st March, 2023	As at 31st March, 2022
i.	Creative Peripherals and Dist. Ltd. (Hongkong)	Trading	Hong Kong	Hong Kong	100%	100%
ii.	Secure Connection Ltd. (Hongkong)	Trading	Hong Kong	Hong Kong	52.48%	52.48%
iii.	Creative Ecommerce Ventures Private limited	Ecommerce - Online sales	Mumbai, India	Mumbai, India	100%	100%

**Note 5: Deferred Tax (Liability)/ Assets (Net)** (Rs. in Lakhs)

Particulars	As at March 31, 2023	As at Mar 31, 2022
<b>Deferred Tax Liability on:</b>		
Property Plant & Equipment and Intangible Assets	6.40	10.81
<b>Deferred Tax Assets on:</b>		
Provisions for Defined Employee Benefits	31.57	27.53
<b>Deferred Tax Assets (Net)</b>	<b>25.17</b>	<b>16.72</b>

Note: In accordance with the Ind AS 12, the Deferred tax expense of Rs. 8.45 Lakhs for the year (Rs. 7.27 lakhs for 31st March, 2022) has been recognised in the Statement of Profit & Loss.

<b>Note 6: Other Non-Current Assets</b> (Rs. in Lakhs)		
<b>Particulars</b>	<b>As at March 31, 2023</b>	<b>As at Mar 31, 2022</b>
Processing Fees to be written off	0.20	0.13
<b>Total</b>	<b>0.20</b>	<b>0.13</b>

<b>Note 7: Inventories</b> (Rs. in Lakhs)		
<b>Particulars</b>	<b>As at March 31, 2023</b>	<b>As at Mar 31, 2022</b>
Finished Goods (As taken, valued and certified by Management)	7,758.79	9657.80
<b>Total</b>	<b>7,758.79</b>	<b>9657.80</b>

**Note:** (i) Inventories are carried at lower of Cost or Net Realisable Value.  
(ii) For security / hypothecation details, refer to note no. 15 and 17

<b>Note 8: Current: Financial Assets</b> (Rs. in Lakhs)		
<b>Particulars</b>	<b>As at March 31, 2023</b>	<b>As at Mar 31, 2022</b>
<b>Trade Receivables</b>		
Secured, Considered Good	-	-
Unsecured, Considered Good	6,752.18	8,050.62
Trade receivables which have significant increase in credit risk	26.05	19.40
Less : Provision for credit impaired trade receivables	22.73	9.70
<b>Total</b>	<b>6,755.50</b>	<b>8,060.32</b>
Trade receivables from Related Parties	109.07	107.05
Trade receivables - Others	6,669.16	7,962.97
Less : Provision for credit impaired trade receivables	22.73	9.70
<b>Total</b>	<b>6,755.50</b>	<b>8,060.32</b>

#### Trade Receivables ageing schedule with age 1 year, 1-2 year, 2-3 year & More than 3 years

<b>As at March 2023</b> (Rs. in Lakhs)							
<b>Sr. No.</b>	<b>Particulars</b>	<b>Outstanding for following periods from due date of payment</b>					<b>Total</b>
		<b>Less than 6 months</b>	<b>6 months -1 year</b>	<b>1-2 years</b>	<b>2-3 years</b>	<b>More than 3 years</b>	
1.	Undisputed Trade receivables – considered good	6,400.37	129.33	160.15	7.30	55.04	6,752.18
2.	Undisputed Trade Receivables – considered doubtful	-	-	-	-	-	-
3.	Disputed Trade Receivables considered good	-	-	-	6.65	19.40	26.05
4.	Disputed Trade Receivables considered doubtful	-	-	-	-	-	-
5.	Provision towards disputed Trade receivables	-	-	-	-	-	(22.73)
	<b>Total</b>	<b>6,400.37</b>	<b>129.33</b>	<b>160.15</b>	<b>13.95</b>	<b>74.44</b>	<b>6,755.50</b>

As at March 2022							(Rs. in Lakhs)
Sr. No.	Particulars	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
1.	Undisputed Trade receivables – considered good	7,705.84	231.98	43.06	34.56	35.16	8,050.62
2.	Undisputed Trade Receivables – considered doubtful	-	-	-	-	-	-
3.	Disputed Trade Receivables considered good	-	-	-	8.13	11.27	19.40
4.	Disputed Trade Receivables considered doubtful	-	-	-	-	-	-
5.	Provision towards disputed Trade receivables	-	-	-	-	-	(9.70)
<b>Total</b>		<b>7,705.84</b>	<b>231.98</b>	<b>43.06</b>	<b>42.69</b>	<b>46.43</b>	<b>8,060.32</b>

**Note:** a) For security / hypothecation details, refer to note no. 15 & 17  
b) The trade receivables ageing have been disclosed on due basis.  
c) For Related party transactions details kindly refer note no. 36

Note 9: Current: Financial Assets			(Rs. in Lakhs)
Particulars	As at March 31, 2023	As at Mar 31, 2022	
<b>Cash and Cash Equivalents</b>			
Cash in Hand	9.66	9.79	
Balances With Banks:			
- In Current Accounts	50.35	42.97	
<b>Total</b>	<b>60.01</b>	<b>52.76</b>	

Note 10: Current: Financial Assets			(Rs. in Lakhs)
Particulars	As at March 31, 2023	As at Mar 31, 2022	
<b>Bank Balances other than Cash and Cash Equivalents</b>			
Earmarked balances in unclaimed Dividend Account	15.33	9.17	
Margin Money with Bank	645.00	528.94	
<b>Total</b>	<b>660.33</b>	<b>538.11</b>	

**Note:** Margin Money with Bank are held by Banks against Bank Guarantee and Letter of credits.

Note 11: Current: Financial Assets			(Rs. in Lakhs)
Particulars	As at March 31, 2023	As at Mar 31, 2022	
<b>Other Financial Assets : Current</b>			
Accrued Interest	9.19	5.38	
<b>Total</b>	<b>9.19</b>	<b>5.38</b>	

Note 12: Other Current assets			(Rs. in Lakhs)
Particulars	As at March 31, 2023	As at Mar 31, 2022	
<b>Unsecured Considered Good</b>			
Advances to Suppliers towards Goods/ Services	1,377.38	1,198.51	
Loans and advances to Employees	49.79	35.03	
Security Deposits	219.32	231.19	

Prepaid Expenses	60.86	18.24
Duties & Taxes Receivables	7,450.29	3,683.42
Loans and Advances to Others	10.15	26.04
<b>Considered Doubtful</b>	-	-
	<b>9,167.79</b>	<b>5,192.43</b>
Less : Provision for Doubtful Advance	-	-
<b>Total</b>	<b>9,167.79</b>	<b>5,192.43</b>

**Note:**

- Loans and Advances to Employees included above are Interest free in nature which meets the definition of Financial Assets and are dealt accordingly in accordance with Ind As 109.
- Loans and Advances to Others represents Advance paid against Clearing charges.

**Note 13 : Share capital**

**a. Details of authorised, issued and subscribed share capital**

Particulars	As at March 31, 2023		As at March 31, 2022	
	No. of shares	Rs. in lakhs	No. of shares	Rs. in lakhs
<b>Authorised Capital</b>				
1,40,00,000 Equity shares of Rs 10 each	1,40,00,000	1,400.00	1,40,00,000	1,400.00
<b>Issued, Subscribed and Paid up</b>				
1,20,00,000 Equity shares of Rs 10 each	-	-	1,20,00,000	1,200.00
1,26,00,000 Equity shares of Rs 10 each	1,26,00,000	1,260.00		
	<b>1,26,00,000</b>	<b>1,260.00</b>	<b>1,20,00,000</b>	<b>1,200.00</b>

**b. Reconciliation of number of shares at the beginning and at the end of the year**

Particulars	As at March 31, 2023		As at March 31, 2022	
	No. of shares	Rs. in lakhs	No. of shares	Rs. in lakhs
Shares outstanding at the beginning of the year	1,20,00,000	1,200.00	1,16,00,000	1,160.00
Add: Bonus Shares issued during the year	-	-	-	-
Add: Issued during the year	6,00,000	60.00	4,00,000	40.00
Shares outstanding at the end of the year	1,26,00,000	1,260.00	1,20,00,000	1,200.00

**c. Particulars of shareholders holding more than 5% of shares held**

Name of Shareholder	As at March 31, 2023		As at March 31, 2022	
	No. of shares	Percentage	No. of shares	Percentage
Ketan Chhaganlal Patel	79,39,520	63.01%	79,39,520	66.16%
<b>Total</b>	<b>79,39,520</b>	<b>63.01%</b>	<b>79,39,520</b>	<b>66.16%</b>

**d. Details of shares held by Promoters**

Promoter name	2022-23		2021-22		% change during the period
	No. of Shares (FV - Rs. 2)	% of total shares*	No. of Shares (FV - Rs. 2)	% of total shares*	
PURVI KETAN PATEL	59,200	0.47	59,200	0.49	(4.76)
KETAN CHHAGANLAL PATEL	79,39,520	63.01	79,39,520	66.16	(4.76)
<b>Total</b>	<b>79,98,720</b>	<b>63.48</b>	<b>79,98,720</b>	<b>66.66</b>	

The Number of shares held by promoters and % to total shares is calculated after taking into account the shares issued during the current year.



<b>e.</b>	During the previous year the company had issued 4,00,000 equity shares and 6,00,000 Fully Convertible Warrants of Face value of Rs. 10 each to one equity share full paid up on preferential basis at an issue price of Rs. 110 per share at a premium of Rs. 100 Per share on Extraordinary General Meeting held on 27th July 2021. The same were allotted to the respective members on 19th August 2021. During the year the above 6,00,000 fully convertible warrants are converted to fully paid 6,00,000 equity shares of face vale of Rs. 10 each and the respective share premium of Rs. 100 per share amounting to 600 Lakhs is included in Share Premium Account under the head Other Equity.
<b>f.</b>	<b>Rights, preferences and restrictions :</b>
	<p>i. The company has only one class of shares referred to as equity shares having a par value of Rs 10/- each. Each holder of equity shares is entitled to one vote per share.</p> <p>ii. The Company declares and pays dividend in Indian rupees. Final dividend, if any, proposed by the Board of Directors is recorded as a liability on the date of the approval of the shareholders in the ensuing Annual General Meeting; in case of interim dividend, it is recorded as a liability on the date of declaration by the Board of Directors of the Company.</p> <p>iii. In the event of liquidation, the equity shareholders are eligible to receive the residual assets of the Company after distribution of all preferential amounts, in proportion to their shareholding. However, no such preferential amounts exist currently.</p>

#### Note 14: Other Equity (Rs. in Lakhs)

	Particulars	As at March 31, 2023	As at Mar 31, 2022
1	<b>Reserves and Surplus</b>		
	<b>a. Securities Premium</b>		
	Balance as at the beginning of the year	990.00	590.00
	Add: Share Premium against Issue of Shares	600.00	400.00
	<b>Total</b>	<b>1,590.00</b>	<b>990.00</b>
	<b>b. Retained Earnings</b>		
	Balance as at the beginning of the year	5,183.24	3,524.62
	Add/(Less) : Profit / (Loss) for the year	2,084.64	1,718.62
	Less: Dividend Paid	(63.00)	(60.00)
	<b>Total</b>	<b>7,204.88</b>	<b>5,183.24</b>
	<b>c. Other Comprehensive Income</b>		
	<u>Remeasurement of Defined benefit plan</u>		
	Balance as at the beginning of the year	(1.44)	(2.26)
	Movement during the year	0.81	0.82
		<b>(0.63)</b>	<b>(1.44)</b>
	<b>d. Money received against Share Warrant</b>	-	<b>165.00</b>
	<b>Total</b>	<b>8,794.25</b>	<b>6,336.80</b>

The description of the nature and purpose of each reserve within equity is as follows :

**a. Securities Premium**

The amount received in excess of the face value of the equity shares issued by the Company is recognised in securities premium. The reserve shall be utilised in accordance with the provisions of section 52 of the Companies Act, 2013.

**b. Retained Earnings**

Retained earnings are the profits that the Company has earned till date. It is a free reserve which can be used for meeting the future contingencies, creating working capital for business operations, strengthen the financial position of the Company etc.

**c. Other Comprehensive Income**

Other comprehensive income comprises the balance of remeasurement of retirement benefit plans.

#### Note 15: Non Current: Financial Liabilities (Rs. in Lakhs)

Particulars	As at March 31, 2023	As at Mar 31, 2022
<b>Borrowings :</b>		
<b>Secured</b>		
Term Loan	912.05	1,036.37
<b>Total</b>	<b>912.05</b>	<b>1,036.37</b>

**Note:**

- a. Term Loan from Axis Bank of Rs. 190.50 Lakhs outstanding as on 31st March 2023 (31st March, 2022 : Rs. 236.50 Lakhs) is secured through first ranking hypothecation / charge / pledge / mortgage of following immovable properties alongwith HDFC Bank  
 (1) Flat No. 801/B, L T Road, Pratap Heritage  
 (2) Flat No. A/7, SVP road, Nikunj CHS  
 (3) Flat No. 102, Disha residency, Khetwadi road  
 (4) Office No. B 215 Mandapeshwar Industrial estate, Off SV road, Borivali west and Fixed deposit of Rs. 0.83 Crores.  
 (5) FDR of Rs. 0.83 Crores”
- b. Term Loan from HDFC bank is secured with immovable properties as mentioned in point no a) from (1) to (4) above, Book debts and Fixed deposit as provided in latest Sanction letter.
- c. ICICI Bank and Daimler - Motor vehicle loan is secured against the mortgage of respective Motor vehicle
- d. State Bank of India (ECLGS Loan) is primarily secured against Stocks, RM, finished goods, book debts & receivables and other current assets of the company. Office premises 3rd and 4th Floor Govt. Ind. Estate, Charkop, Kandivali west is mortgaged as collateral security.
- e. Term Loan from DBS bank is secured with entire current assets and movable fixed assets having pari passu charge with Axis, SBI and HDFC bank. Immoveable properties as mentioned in point no a) from (1) to (4) above is also hypothecated, and Fixed deposit as provided in latest Sanction letter is to be maintained by the company.
- f. All the above term loan are personally guaranteed by Ketan Patel and Purvi Patel, directors of the company.
- g. The above loans carry interest rate in the range of 8.25% to 11% p.a

**Note 16: Non Current: Provision**

(Rs. in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Provision for Employee benefit	90.86	95.20
<b>Total</b>	<b>90.86</b>	<b>95.20</b>

**Note 17: Current: Financial Liabilities**

(Rs. in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Borrowings :</b>		
<b>Secured</b>		
Loans repayable on demand from Others	7,894.08	5,199.83
<b>Unsecured</b>		
Unsecured Loans from Directors/ Related Parties	85.52	196.94
<b>Total</b>	<b>7,979.60</b>	<b>5,396.77</b>

**Note:**

- Cash Credit from Banks is secured against hypothecation of Stocks and Book debts, Immoveable Property and other movable assets.
- Cash credit is payable on demand, carries interest rate of 8.25% to 11%
- Cash credit and Buyer's credit is guaranteed by Director, Chairperson and Wholetime director
- Unsecured Loan from Directors and relative of directors carries interest at the rate of 12%.

**Note 18 : Current: Financial Liabilities**

(Rs. in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Trade Payables</b>		
Total outstanding due to Micro and Small enterprises	113.68	972.55
Total outstanding due to others	3,832.16	6,169.76
<b>Total</b>	<b>3,945.84</b>	<b>7,142.31</b>

## Trade Payables ageing schedule with age 1 year, 1-2 year, 2-3 year & More than 3 years

As at March 2023						
Sr. No.	Particulars	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
1.	MSME	113.67	0.01	-	-	113.68
2.	Others	3,807.24	3.72	-	21.20	3,832.16
3.	Disputed Dues - MSME	-	-	-	-	-
4.	Disputed Dues - Others	-	-	-	-	-
<b>Total</b>		<b>3,920.91</b>	<b>3.73</b>	<b>-</b>	<b>21.20</b>	<b>3,945.84</b>

As at March 2022						
Sr. No.	Particulars	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
1.	MSME	972.55	-	-	-	972.55
2.	Others	5,992.09	114.30	42.23	21.14	6,169.76
3.	Disputed Dues - MSME	-	-	-	-	-
4.	Disputed Dues - Others	-	-	-	-	-
<b>Total</b>		<b>6,964.64</b>	<b>114.30</b>	<b>42.23</b>	<b>21.14</b>	<b>7,142.31</b>

### Note 19 : Current: Financial Liabilities

(Rs. in Lakhs)

Particulars	As at March 31, 2023	As at Mar 31, 2022
<b>Other Financial Liabilities :</b>		
Creditors for Expenses	254.52	458.29
Other Payables	1,120.18	2,205.42
<b>Total</b>	<b>1,374.70</b>	<b>2,663.71</b>

### Note 20 : Other Current Liabilities

(Rs. in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Statutory dues payable	83.92	44.84
Advances from customers	949.64	611.53
<b>Total</b>	<b>1,033.56</b>	<b>656.37</b>

### Note 21: Provisions

(Rs. in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Provision for Employee benefit	34.57	14.17
<b>Total</b>	<b>34.57</b>	<b>14.17</b>

### Note 22: Current Tax Liabilities (Net)

(Rs. in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Provision for Tax	33.26	88.83
<b>Total</b>	<b>33.26</b>	<b>88.83</b>

<b>Note 23: Revenue from Operations</b>		(Rs. in Lakhs)	
<b>Particulars</b>	<b>As at March 31, 2023</b>	<b>As at March 31, 2022</b>	
Sale of Products			
Traded Goods	1,33,176.49	91,917.22	
Other Operating Revenue	1,653.63	1316.37	
<b>Total</b>	<b>1,34,830.12</b>	<b>93,233.59</b>	
<b>23.1: Sales by Performance obligations</b>			
Performance obligations are satisfied at a point in time i.e. when the customer obtains control of goods on its receipt. In case of export of goods, the control of goods is transferred on receipt of bill of lading / mate receipt.			
<b>23.2: Revenue from Contracts with customers</b>		<b>As at March 31, 2023</b>	<b>As at March 31, 2022</b>
<b>A. Revenue from contracts with customers disaggregated based on nature of products or services</b>			
<b>i. Revenue from Sale of Products</b>			
<b>Segment wise Sales</b>			
Enterprise Business - EB	90,584.48	53,920.41	
Fast Moving Social - Media Gadgets - FMSG	16,849.91	17,512.55	
Fast Moving Electronics Goods - FMEG	1,070.85	1,069.39	
Fast Moving Consumer Technology - FMCT	24,671.25	19,414.87	
<b>ii. Other Operating Revenue</b>			
Export entitlements	1,653.63	1,316.37	
<b>Total</b>	<b>1,34,830.12</b>	<b>93,233.59</b>	
<b>B. Revenue from contracts with customers disaggregated based on geography</b>			
i. India	85,020.17	47,038.07	
ii. Outside India	48,156.32	44,879.15	
Add: Other Operating Revenue	1653.63	1316.37	
<b>Total</b>	<b>1,34,830.12</b>	<b>93,233.59</b>	
<b>23.3: Reconciliation of contract price with Revenue from Operations</b>			
<b>Contract price</b>	1,33,293.54	92,044.96	
<b>Less:</b>			
Discount and Rate difference	117.05	127.74	
<b>Revenue from Sale of Products</b>	1,33,176.49	91,917.22	
<b>Add:</b>			
Other Operating Revenue	1,653.63	1,316.37	
<b>Revenue from Operations</b>	<b>1,34,830.12</b>	<b>93,233.59</b>	

<b>Note 24: Other Income</b>		(Rs. in Lakhs)	
<b>Particulars</b>	<b>As at March 31, 2023</b>	<b>As at March 31, 2022</b>	
Interest Income			
- On FD	29.31	20.49	
- On Others	2.18	1.76	
Insurance Claim	-	15.31	
Other Income	20.85	38.93	
Exchange Gain (Net)	897.25	-	
<b>Total</b>	<b>949.59</b>	<b>76.49</b>	

<b>Note 25: Purchases of Stock in Trade</b> (Rs. in Lakhs)		
<b>Particulars</b>	<b>As at March 31, 2023</b>	<b>As at March 31, 2022</b>
Purchases of traded goods	1,25,580.56	89,487.21
<b>Net Purchases</b>	<b>1,25,580.56</b>	<b>89,487.21</b>

<b>Note 26: Changes in inventories of finished goods and work-in-progress</b> (Rs. in Lakhs)		
<b>Particulars</b>	<b>As at March 31, 2023</b>	<b>As at March 31, 2022</b>
Inventories at the beginning of the year		
- Traded goods	9,657.80	5,958.82
Inventories at the end of the year		
- Traded goods	7,758.79	9,657.80
<b>Total</b>	<b>1,899.01</b>	<b>(3,698.98)</b>

<b>Note 27 : Employee Benefits Expenses</b> (Rs. in Lakhs)		
<b>Particulars</b>	<b>As at March 31, 2023</b>	<b>As at March 31, 2022</b>
Salaries, Wages and Bonus etc	1,271.65	1,046.30
Contribution to provident and other funds	48.18	41.13
Gratuity Expense (Refer note no. 34)	12.83	18.99
Staff Welfare Expenses	37.73	40.76
<b>Total</b>	<b>1,370.39</b>	<b>1,147.18</b>

<b>Note 28 : Finance Costs</b> (Rs. in Lakhs)		
<b>Particulars</b>	<b>As at March 31, 2023</b>	<b>As at March 31, 2022</b>
<b>Interest Expense</b>		
On Borrowings	724.17	445.71
On Others	35.22	4.58
<b>Other Borrowing Costs</b>		
Bank Charges	94.98	82.56
Processing Fees	-	0.05
Processing Charges	47.30	47.91
Finance Cost for Gratuity valuation	8.01	-
Buyers Credit, Bank Guarantee Charges And Finance Charge	21.35	19.38
<b>Total</b>	<b>931.03</b>	<b>600.19</b>

<b>Note 29 : Other Expenses</b> (Rs. in Lakhs)		
<b>Particulars</b>	<b>As at March 31, 2023</b>	<b>As at March 31, 2022</b>
<b>Administrative and General Expenses</b>		
Annual Maintenance Charges	5.50	3.71
Auditors Remuneration (Refer note no. 29(a))	7.05	5.07
Books & Periodicals	0.04	0.05
Consultancy Fees	301.25	231.16
Courier Charges	0.88	1.89
Clearing Charges-Export	527.42	548.62
Demat Charges (Company)	6.53	10.63
Directors Remuneration	133.72	115.86

Donations	0.22	36.36
Electricity Expenses	15.94	11.57
Insurance Expenses	48.13	31.55
Internet Charges	4.57	2.40
Labour Charges	4.48	5.14
Office Expenses	37.49	52.14
Postage & Telegram Expenses	0.03	0.10
Printing Stationery	10.44	8.62
Rent Rates & Taxes	291.48	251.84
Repairs Maintenance Expenses	9.28	7.13
Duties and Taxes paid	27.16	28.66
Service Expenses	247.85	505.36
Subscriptions & Membership	17.97	11.16
Telephone Expenses	11.25	9.97
Travelling Expenses (Domestic & Foreign)	197.89	107.12
Lodging and Boarding (Hotel, Meal and Entertainment)	42.66	18.39
Warehouse Handling Charges	30.18	7.44
Commission Paid	451.05	501.04
CSR Expenditure (Refer Note no. 40)	33.50	24.00
Director Sitting Fee	3.14	4.10
Property Tax	17.66	21.13
Exchange Gain/ (Loss)	-	83.77
Prov. for Late Payment charges	10.51	13.04
Charges on Late Payment	-	0.62
Provision for Bad Debts	13.03	9.70
Advertising Promotional Expenses	559.36	656.67
<b>Total</b>	<b>3,067.66</b>	<b>3,326.01</b>

#### Note 29A : Details of Payment to Auditors

(Rs. in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Payment to Auditors</b>		
As Audit Fees	6.00	4.00
As Certification Fees	1.00	1.00
As Reimbursement of expenses	0.05	0.07
<b>Total</b>	<b>7.05</b>	<b>5.07</b>

#### Note 30 : Income Tax Expense

(Rs. in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Income Tax expense recognised in Statement of Profit and Loss</b>		
<b>i. Current Tax</b>		
- in respect of current year	698.28	575.57
<b>ii. Deferred Tax</b>		
Deferred tax Asset on:		
- Provision of Gratuity	31.58	27.53
<b>Deferred tax Liability on:</b>		
- Property, Plant and Equipment	6.41	10.81
Net Deferred Tax Asset / (Liability) reflecting in Balance Sheet	25.17	16.72
<b>Less: Opening Deferred Tax Asset</b>	<b>16.72</b>	<b>9.45</b>
Deferred Tax Expense to be recognised in Statement of Profit and Loss Account	<b>8.45</b>	<b>7.27</b>

### Note No. 31 - Earnings per share (EPS)

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the parent by the weighted average number of Equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the parent (after adjusting profit impact of dilutive potential equity shares, if any) by the aggregate of weighted average number of Equity shares outstanding during the year and the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity shares.

Particulars	March 31, 2023	March 31, 2022
<b>i. Profit attributable to equity holders (Rs in lakhs)</b>		
Profit attributable to equity holders of the parent for basic and diluted EPS	2,084.64	1,718.62
	<b>2,084.64</b>	<b>1,718.62</b>
<b>ii. Weighted average number of ordinary shares</b>		
Weighted average number of shares for Basic EPS	1,26,00,000	1,20,00,000
Weighted average number of shares for Diluted EPS	1,26,00,000	1,24,07,187
<b>iii. Basic and diluted EPS</b>		
Basic earnings per share of face value of Rs. 10 each	16.54	14.32
Diluted earnings per share of face value of Rs. 10 each	16.54	13.85

### Note 32 - Financial Risk Management

The Company's business activities are exposed to financial risks, namely Credit risk, Liquidity risk. The Company's Senior Management has the overall responsibility for establishing and governing the Company's risk management framework. The Company has constituted a Risk Management Committee, which is responsible for developing and monitoring the Company's risk management policies. The committee reports regularly to the Board of Directors on its activities.

The Company's risk management policies are established to identify and analyse the risks faced by the company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the company's activities. The audit committee oversees how management monitors compliance with the company's risk management. Policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the company.

The audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and adhoc reviews of risk management controls and procedures, the results of which are reported the audit committee

#### i. Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and investment securities. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. The Company establishes, if require an allowance for doubtful debts and impairment that represents its estimate of incurred losses in respect of trade and other receivables and investments.

During the year the Company has made provision of Rs. 22.73 Lakhs (Rs. 9.70 Lakhs in previous years) against Trade receivables having closing balance at the year end aggregately of Rs. 26.05 Lakhs (Previous year balance was Rs. 19.40 Lakhs). Details of the same are as under:

Reconciliation of Trade Receivable loss allowance provision:	(Rs. in Lakhs)	
	As at March 31, 2023	As at March 31, 2022
<b>Particulars</b>		
Opening Balance	9.70	-
Additional Provision made	13.03	9.70
Provision adjusted against amount written off	-	-
<b>Closing Provision</b>	<b>22.73</b>	<b>9.70</b>

The provision for loss allowances of trade receivables have been made by the management on the evaluation of trade receivables. The management at each reporting period made an assessment on recoverability of balances and on the best estimate basis the provision for loss allowances have been created.

## ii. Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Management monitors rolling forecasts of the Company's liquidity position on the basis of expected cash flows. This monitoring includes financial ratios and takes into account the accessibility of cash and cash equivalents

### The following is the contractual maturities of the financial liabilities:

Particular	Carrying Amount	1-12 months	more than 12 months
<b>As at March 31, 2023</b>			
Borrowings	8891.65	7979.60	912.05
Trade payables	3945.84	3920.91	24.93
Other financial liabilities	1374.70	1361.71	12.99
<b>Particular</b>	<b>Carrying Amount</b>	<b>1-12 months</b>	<b>more than 12 months</b>
<b>As at March 31, 2022</b>			
Borrowings	6433.14	5396.77	1036.37
Trade payables	7142.31	6964.64	177.67
Other financial liabilities	2663.71	2526.39	107.32

## Note 33 Capital Management

(Rs. in Lakhs)

For the purpose of the Company's capital management, capital includes issued capital and other equity reserves. The primary objective of the Company's Capital Management is to maximise shareholders value. The Company manages its capital structure and makes adjustments in the light of changes in economic environment and the requirements of the financial covenants.

The Company monitors capital using Adjusted net debt to equity ratio. For this purpose, adjusted net debt is defined as total debt less cash and bank balances

Particular	As at 31st March 2023	As at 31st March 2022
Non- Current borrowing	912.05	1,036.37
Current borrowings	7,979.60	5,396.77
Current maturity of long term debt	-	-
<b>Gross debt</b>	<b>8,891.65</b>	<b>6,433.14</b>
Less : Cash and cash equivalents	60.01	52.76
Less : Other bank balances	660.33	538.11
<b>Adjusted net debt</b>	<b>8,171.31</b>	<b>5,842.27</b>
Total Equity	10,054.25	7,536.80
<b>Adjusted Net debt to Equity ratio</b>	<b>0.81</b>	<b>0.78</b>

## Note No. 34 - Disclosure pursuant to Ind AS 19 on "Employee benefits"

The Company has made provision in the Accounts for Gratuity based on Actuarial valuation. The particulars under the Ind AS 19 "Employee Benefits" furnished below are those which are relevant and available to the Company for this year

### a. Defined Contribution Plans

The Company's contribution to Provident Fund and other Fund aggregating to Rs. 48.18 Lakhs (Previous Year Rs. 41.13 Lakhs) has been recognised in the Statement of Profit and Loss under the head Employee Benefits Expense. (Refer Note 27)



**b. Defined Benefit Plans**

Scale of Benefits are as below:

a)	Salary for calculation of gratuity	Last drawn qualifying salary.
b)	Vesting Period	5 years of service.
c)	Benefit on normal retirement	As per the provisions of payment of gratuity Act 1972 as amended.
d)	Benefit on early retirement / withdrawal / resignation	Same as normal retirement benefit based on service upto the date of exit.
e)	Benefit on death in service	Same as normal retirement benefit based on service upto the date of death & no vesting conditions apply.
f)	Limit	Rs 20,00,000/-

**c. Risk to the Plan****i. Actuarial Risk**

The plan is subject to actuarial risk such as adverse salary growth, change in demographic experience, inadequate return on underlying plan assets. This may result in an increase in cost of providing these benefits to employee in future.

**ii. Liquidity Risk**

Employees with high salaries and long durations or those higher in hierarchy, accumulate significant level of benefits. If such employees resign/ retire from the company there can be strain on the cash flows.

**iii. Market Risk**

Market risk is a collective term for risks that are related to the changes and fluctuations of the financial markets. One actuarial assumption that has a material effect is the discount rate. The discount rate reflects the time value of money. An increase in discount rate leads to decrease in Defined Benefit Obligation of the plan benefits & vice versa. This assumption depends on the yields of the corporate / government bonds and hence the valuation of liability is exposed to fluctuations in the yields as at the valuation date.

**iv. Legislative Risk**

Legislative risk is the risk of increase in the plan liabilities or reduction in the plan assets due to change in the legislation/regulation. The government may amend the Payment of Gratuity Act thus requiring the companies to pay higher benefits to the employees. This will directly affect the present value of the Defined Benefit Obligation and the same will have to be recognized immediately in the year when any such amendment is effective.

(Rs. in Lakhs)

	Particulars	As at March 31,2023	As at March 31, 2022
<b>i.</b>	<b>Changes in Present Value of Obligations:</b>		
	Present Value of Obligation at the beginning	109.36	92.71
	Current Service Cost	12.83	12.58
	Past Service Cost	-	-
	Interest Cost	8.01	6.41
	Actuarial (Gain) / Loss	(1.09)	(1.09)
	Benefits paid	(3.69)	(1.24)
	Present Value of Obligation as at the end	125.42	109.36
<b>ii.</b>	<b>Amount recognised in the Statement of Profit and Loss:</b>		
	Current Service Cost	12.83	12.58
	Past Service Cost	-	-
	Interest Cost	8.01	6.41
	<b>Net amount recognised</b>	<b>20.84</b>	<b>18.99</b>
<b>iii.</b>	<b>Amount recognised in Other Comprehensive Income</b>		
	Components of Actuarial (Gain) / Loss :	(1.09)	(1.09)
	<b>Net amount recognised</b>	<b>(1.09)</b>	<b>(1.09)</b>

<b>iv.</b>	<b>Sensitivity Analysis for significant assumptions *</b>		
	Increase/(Decrease) on present value of defined benefit obligations at the end of the year		
	0.5 % increase in discount rate	(2.12)	(2.38)
	0.5 % decrease in discount rate	2.20	2.49
	0.5% increase in salary escalation rate	2.20	2.48
	0.5% decrease in salary escalation rate	(2.14)	(2.40)
<b>v.</b>	<b>Amount recognised in Balance Sheet</b>		
	Gross value of Present Obligation at the end	<b>125.42</b>	<b>109.36</b>
<b>vi.</b>	<b>Assumptions</b>		
	Mortality Table - Indian Assured Life Mortality 2006-08		
	Discount Rate	7.50%	7.32%
	Rate of increase in compensation levels	7.00%	7.00%
i.	Retirement Age (Years)	60	60
ii.	Mortality rates inclusive of provision for disability	100% of IALM	100% of IALM
iii.	Attrition Rate at ages:	Withdrawal Rate (%)	Withdrawal Rate (%)
	upto 30 years	30.00	30.00
	from 31 to 44 years	30.00	26.00
	above 44 years	18.00	12.00
vii.	The estimate of rate of escalation in salary considered in actuarial valuation, takes into account inflation, seniority, promotion and other relevant factors, including supply and demand in the employment market.		
viii.	Expected rate of return on Plan Assets is based on expectation of the average long term rate of return expected on investments of the fund during the estimated term of the obligations.		
ix.	The discount rate is based on the prevailing market yields of Government of India securities as at the Balance Sheet date for the estimated term of the obligations.		
x.	The company has not invested or maintained any plan assets against the above defined obligation. The company is of the view to manage the defined liability from it's own liquidity.		
*	The sensitivity analysis have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant. The sensitivity analysis presented above may not be representative of the actual change in the projected benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated. There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.		

<b>Note 35 : Contingencies and Commitments</b>			(Rs. in Lakhs)
<b>Particulars</b>	<b>Financial Year</b>	<b>As at March 31, 2023</b>	<b>As at March 31, 2022</b>
Income Tax demand raised by A.O.	2007-08	5.26	10.79
Income Tax - Interest demand raised by A.O.	2008-09	0.69	0.69
Income Tax - Penalty demand raised by A.O.	2008-09	3.96	3.96
Income Tax Demand raised by CPC	2017-18	3.59	3.59
Income Tax - Tax and Interest demand raised by CPC - i	2019-20	25.78	562.96
GST ASSESSMENT (Directorate General of GST Intelligence -DGGI) - ii		128.45	0.00
GST AUDIT - iii	2017-2021	14.04	0.00
Bank Guarantee		1,056.81	922.05
Custom Duty (Showcause Notice) -iv		186.19	186.19

Custom Duty (Showcause Notice)		230.34	230.34
Custom Duty (Showcause Notice for Penalty) - v		481.38	481.38
Outstanding tax demand with respect to VAT/ CST FY 2013-17 (Andhra Pradesh and Gujarat)		78.67	94.46

- i. Demand for F.Y 2019-20 was raised by the CPC via Intimation Order dated 20th December 2021. Demand was raised by CPC due to clerical error, after required follow up with Income Tax department the wrongful demand raised by the Income Tax department was deleted in the current year however interest amount on the wrongful demand has emerged on the income tax portal which is again incorrect. The company is following up with the Income Tax department to resolve the same and in the company opinion the interest demand shall not be materialised.
- ii. DGGI GST order : On 05th April,2023, Directorate General of GST Intelligence , Gurugram zonal unit passed an order under section 83 of CGST act, asking that the company to pay a GST amount of Rs. 1,28,44,959 for wrongful availment of Input tax credit. Our Counsel are of the opinion that this order is unjustified and the company has moved against this order in High court of Punjab and Haryana. We believe that the position of the company will be upheld in the High court. Hence in view of contingent nature of demand , company has classified the same under contingent liability.
- iii. GST Audit Order: GST audit team of Delhi circle 6 Group 2, have passed an order against the company stating that the company has charged wrong rate of SGST and CGST in case of certain products. Company and its counsel are of the opinion that our position is correct. Hence company has preferred an appeal against this order. In view of contingent nature of demand, company has classified the same under contingent liability.
- iv. The Company has received a demand of Customs Duty via Show Cause Notice dated 13th March, 2018 amounting to Rs.1,86,19,246/- (without interest and penalty) from the Office of the Principal Commissioner of Customs, Mumbai, alleging that the import of Cameras was classified under wrong CTH (Customs Tariff Head) and Company has wrongly availed the duty exemption. The Company is not accepting the demand raised by the customs department and is contesting it. The company as well as its legal advisor are of the view that the classification adopted and exemption claimed were correct and in order. However it is believed that this position will likely be upheld in the appellate process. Hence, in view of the contingent nature of demand, the Company has classified the same under contingent liability.
- v. The Company has received Order-in-Original C.A.O. No. CC-VA/24/2018-19 Adj. (I) ACC dated 28.02.2019 confirming the demand of Customs Duty amounting to Rs. 2,30,33,813/-. The Order also imposes penalty Rs. 4,61,38,438/- and penalty of 20,00,000/-. The Order states that Cameras imported by the Company was classified under wrong CTH (Customs Tariff Head) and Company has wrongly availed the duty exemption. The Company is not accepting the demand confirmed by the customs department and is contesting it. The Company has already filed an appeal against the same before the Customs, Excise, & Service Tax Appellate Tribunal, Mumbai. The Company as well as its legal advisor are of the view that the classification adopted and exemption claimed by the Company were correct and in order. It is believed that this position will likely be upheld in the appellate process. Hence, in view of the contingent nature of demand, the Company has classified the same under contingent liability.

On 11th April,2023 the Honourable CESTAT has passed an order in favour of the company and has dismissed an earlier order , show cause notice and penalty amounting to Rs. 4,61,38,428/- and Rs. 20,00,000 respectively. Company is in the process of getting refund of amounting to Rs. 1,38,00,000 which was paid as deposit against the order passed by commissioner of customs

### Note 36: Related party Information

Disclosure of transactions with Related Parties, as required by Ind AS 24 "Related Party Disclosures" has been set out below. Related parties as defined under clause 9 of the Ind AS 24 have been identified on the basis of representations made by the management and information available with the Company.

#### A. Names of the Related parties

##### Companies exercising significant influence:

Bittech Services

Click Retail Private Limited

Secure Connection Private Limited

Shilpa Global Pvt.Ltd.

Compunics Technologies Llc

Rinavaa Technologies Pvt. Ltd.

**Subsidiary**

Creative Peripherals and Distribution Ltd (Hong Kong)

Secure Connection Pvt Ltd. (Hong Kong)

Creative E-Commerce Ventures Private Limited

**Key management personnel and their relatives**

Ketan Chhaganlal Patel

Vijay Advani

Purvi Ketan Patel

Kurian Chandy

Suresh Bhagavatula

Mihir Shah

Abhijit Kanvinde

Tejas Doshi

**Other Related parties**

Ketan Patel HUF

Nidhi Patel

(Rs. in Lakhs)

Particulars	Nature of Transaction	As at 31st March 2023	As at 31st March 2022
Ketan Chhaganlal Patel	Director's Remuneration (including Bonus)	59.33	52.05
Vijay Advani	Director's Remuneration (including Bonus)	41.57	40.47
Purvi Ketan Patel	Director's Remuneration (including Bonus)	33.04	27.55
Abhijit Kanvinde	KMP's Remuneration (including Bonus)	32.81	28.70
Tejas Doshi	KMP's Remuneration (including Bonus)	21.73	14.78
Ketan Chhaganlal Patel	Dividend	39.70	39.70
Vijay Advani	Dividend	0.00	0.00
Purvi Ketan Patel	Dividend	0.30	0.30
Ketan Chhaganlal Patel	Other Employee Benefits to Director	1.21	1.09
Vijay Advani	Other Employee Benefits to Director	0.91	0.83
Purvi Ketan Patel	Other Employee Benefits to Director	0.77	1.64
Abhijit Kanvinde	Other Employee Benefits to KMP	1.49	1.42
Tejas Doshi	Other Employee Benefits to KMP	1.26	1.18
Nidhi Patel	Salary	15.94	14.01
Ketan Chhaganlal Patel	Interest Paid	47.27	29.49
Vijay Advani	Interest Paid	1.44	1.44

Ketan Chhaganlal Patel	Loan Received	1,025.44	1,209.40
Ketan Chhaganlal Patel	Repayment of loan	1,179.40	1,181.49
Bittech Services	Purchases	8.02	24.82
Secure Connection Private Limited	Purchases	170.15	297.86
Secure Connection Limited (Hong Kong)	Purchases	1,639.10	4,251.81
Rinavaa Technologies Pvt. Ltd.	Purchases	-	0.25
Click Retail Private Limited	Purchases	-	9.33
Bittech Services	Sales	6.17	13.08
Secure Connection Private Limited	Sales	48.35	30.76
Compunics Technologies Llc	Sales	-	80.32
Secure Connection Limited (Hong Kong)	Sales	7.98	50.44
Click Retail Private Limited	Sales	166.89	128.21

(Rs. in Lakhs)

Balance at the end of the year		31st March 2023	31st March 2022
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#### Entities over which Key Managerial Persons have significant influence / control:

Bittech Services	-	(1.12)
Secure Connection Private Limited	396.91	465.58
Click Retail Private Limited	105.78	79.89
Secure Connection Limited (Hong Kong)	(9.76)	(1,030.79)

#### Unsecured Loans

Ketan Chhaganlal Patel	73.20	184.62
Vijay Advani	12.32	12.32

#### Note 37: Foreign Currency Transactions

(Rs. in Lakhs)

Particulars	Nature of Transaction	31st March 2023	31st March 2022
Value of Exports (FOB)	Earnings	85,020.09	44,879.15
Value of Imports	Expenses	18,397.72	23,531.41
Foreign Travelling Expenses	Expenses	52.69	1.83

#### Note 38: Dividend

During the year the company has paid dividend for the year ended 31st March, 2022 of Rs. 0.50 per equity share as final dividend which was approved in annual general meeting on 29th September, 2022.

#### Note 39: Segment Information

##### The Company has identified following reporting segments based on the information:

1	Enterprise Business - EB
2	Fast Moving Social - Media Gadgets - FMSG
3	Fast Moving Electronics Goods - FMEG
4	Fast Moving Consumer Technology - FMCT

##### The above business segments have been identified considering:

1	the nature of products and services
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2	the differing risks and returns
3	the internal organisation and management structure, and
4	the internal financial reporting systems

Standalone Segment Revenue are as follows:			(Rs. in Lakhs)
Particulars	31st March, 2023	31st March, 2022	
<b>Segment Revenue</b>			
- EB	90,584.48	53,920.41	
- FMSG	16,849.91	17,512.55	
- FMEG	1,070.85	1,069.39	
- FMCT	24,671.25	19,414.87	
<b>Revenue from Operations</b>	<b>1,33,176.49</b>	<b>91,917.22</b>	
<b>Segment Results : Net Revenue from each segment after deducting allocable cost</b>			
- EB	2,368.41	1,896.34	
- FMSG	1,887.67	3,075.47	
- FMEG	111.90	60.40	
- FMCT	1,328.94	1,096.78	
<b>Total</b>	<b>5,696.92</b>	<b>6,128.99</b>	
Less: Finance Cost	931.03	600.19	
Less: Unallocable cost	1,991.42	3,229.31	
<b>Total Profit before Tax</b>	<b>2,774.47</b>	<b>2,299.49</b>	

Standalone Segment Assets and Liabilities are as follows:			(Rs. in Lakhs)
Particulars	31st March, 2023	31st March, 2022	
<b>Total Assets</b>			
- EB	1,158.18	2,671.76	
- FMSG	6,008.38	8,239.83	
- FMEG	185.18	365.19	
- FMCT	6,244.33	5,839.50	
<b>Total</b>	<b>13,596.07</b>	<b>17,116.27</b>	
<b>Total Liability</b>			
- EB	572.65	974.35	
- FMSG	882.84	2,777.01	
- FMEG	(27.02)	125.62	
- FMCT	1,663.61	1,721.62	
<b>Total</b>	<b>3,092.08</b>	<b>5,598.60</b>	

#### Note 40: Corporate Social Responsibility

As per Section 135 of the Companies Act, 2013, a company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. A CSR committee has been formed by the company as per the Act.

As per Section 135 of the Companies Act, 2013, the Company is required to spend Rs. 33.13 Lakhs (Previous year Rs. 23.39 Lakhs). During the year the company has spent Rs. 33.50 Lakhs (Previous year Rs. 24.00 lakhs) towards providing Food Items, Plantation, Women's Welfare, Education and other social activities which are eligible expenditure as specified under schedule VII of the Companies Act, 2013."

(Rs. In Lakhs)		
Particulars	March 31, 2023	March 31, 2022
Unspent amount of Previous year	0	0
Amount required to be spent by the Company for current year	33.13	23.39
Gross amount required to be spent by the Company during the year (i+ii)	33.13	23.39
Amount of expenditure incurred	33.50	24.00
Total of previous years shortfall	0	0
Reason for shortfall	N.A.	N.A.
Nature of CSR Activities	Food Items, Plantation, Women's Welfare, Education and other social activities	Rural Development & Poverty Alleviation, Tribal Welfare, Promoting Education, Vocational Training, Water and Sanitation
Details of related party transactions, e.g., contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standard	0	0
Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year shall be shown separately.	N.A.	N.A.

#### Note 41:

In previous Financial year 2021-22, 2 parties were inadvertently shown as Creditors for expenses instead of Trade payable (Creditors for Goods) in the Balance sheet of previous year amounting to Rs. 8.72 Crores. During the year these errors were identified and the same is rectified in these restated financial statements of previous years. The said error corresponds to financial year 2021-22 only and not preceding financial years of 2021-22. There is no impact or change in the Statement of Profit and Loss Account of the previous year or current year and thus no change in earnings per share of previous year.

**For more detail kindly refer to the reconciliation statement as mentioned below:**

#### 41.1 Impact of error identified during the year on Trade Payables:

<b>F.Y. 2021-22</b>	
Balance as 31st March, 2022	6270.18
Changes due to error in Financial year 2021-22**	872.13
<b>Restated balance as at 31st March, 2022</b>	<b>7142.31</b>
<b>Bifurcation of Trade Payable as on 31st March, 2022</b>	
Dues towards micro enterprises and small enterprises	972.55
Dues towards Creditors other than micro enterprises and small enterprises	6169.76
	<b>7142.31</b>

\*\* Trade Payables of Rs. 872.13 added in Trade Payables for F.Y. 2021-22 since the same was inadvertently shown as Creditors for Expenses under the head "Other Financial Liabilities" in previous year, now being rectified.

<b>F.Y. 2022-23</b>	
Balance as 31st March, 2023	3945.84
Changes due to error in Financial year 2022-23	0
Restated balance as at 31st March, 2023	3945.84
<b>Bifurcation of Trade Payable as on 31st March, 2023</b>	
Dues towards micro enterprises and small enterprises	113.68
Dues towards Creditors other than micro enterprises and small enterprises	3832.16
	<b>3945.84</b>

**41.2 Impact of error identified during the year on Creditors for Expenses under the head Other Financial Liabilities:**

Particulars	Amt
Balance as at 1st April, 2021	428.10
Changes due to prior period errors	0.00
Restated balance as at 1st April, 2021	<b>428.10</b>
<b>F.Y. 2021-22</b>	
Balance as 31st March, 2022	1330.42
Changes due to error in Financial year 2021-22**	-872.13
Restated balance as at 31st March, 2022	<b>458.29</b>
** Trade Payables of Rs. 872.13 reduced from Creditors for Expenses in F.Y. 2021-22 since the same was inadvertently shown as Creditors for Expenses under the head "Other Financial Liabilities" in previous year, now being rectified.	
<b>F.Y. 2022-23</b>	
Balance as 31st March, 2023	254.52
Changes due to error in Financial year 2022-23	0.00
Restated balance as at 31st March, 2023	<b>254.52</b>

**Note 42**

The Company's significant leasing arrangements are in respect of premises used for business, are accounted as a short term lease. The aggregate lease rentals payable are charged as rent in the statement of profit and loss (Refer note 29). These lease arrangements are cancellable in nature and can be terminated by giving notice for a period, which vary from one months to three months.

**Note 43**

In the month of June 2021, a fire broke out in the Bangalore warehouse where a part of stock in trade was damaged which was insured with the Insurance company. The incident was duly informed to the concerned regulatory authorities in due time. We have received the insurance claim of Rs. 1.49 Crores against the loss or damage of goods due to fire and we have recognised the actual loss of Rs. 12.57 lakhs in the financials under the head exceptional item in the Statement of Profit and Loss Account.

**Note 44 - Amount payable to Micro and Small enterprises**

(Rs. in Lakhs)

Particular	As at 31st March 2023	As at 31st March 2022
Amount due to vendor	113.68	972.55
Late payment charges on above	10.51	13.04
<b>Total</b>	<b>124.19</b>	<b>985.59</b>

**Note 45: Financial Ratios**

Ratio	Numerator	Denominator	2022-23	2021-22	Variance in %
Current Ratio	Total Current Assets	Total Current Liabilities	1.70	1.47	15.10%
Debt-Equity Ratio	Total Debt (Long term Borrowings + Short term Borrowings)	Shareholder's equity (including amount received against Share Warrant)	0.88	0.85	3.61%
Debt Service Coverage Ratio	Earnings Available for Debt Services	Interest payments and Principal payments	4.16	5.20	(19.96%)
Inventory Turnover Ratio*	Cost of Goods sold	Average Inventory	14.64	10.99	33.20%
Trade Receivables Turnover Ratio**	Revenue from Operation	Average Trade Receivable	17.98	13.65	31.70%



Trade Payables Turnover Ratio***	Purchases of Stock in Trade	Average Trade Payable	22.65	16.85	34.43%
Net Capital Turnover Ratio	Revenue from Operation	Total Current Assets - Total Current Liabilities	13.30	12.18	9.23%
Return on Equity Ratio	Net Profit after Tax	Equity Shareholders Fund	20.73%	22.80%	(9.07%)
Net Profit Ratio	Net Profit after Tax	Revenue from Operation	1.57%	1.87%	(16.29%)
Return on Capital Employed	Earning before interest and Tax	Capital Employed	33.31%	33.31%	0.00%
Return on Investment	Income generated from Invested funds	Average Investments held at year end	5.36%	4.43%	21.10%

#### Reason for Variance where variance is more than 25%

\*Inventory Turnover ratio is increased in current year as compared to last year due to increase in cost of goods sold on account of increase in revenue from operations during the year and the average inventory holding is also increased in current year as compared to last year.

\*\*Trade Receivable turnover ratio is increased as compared to last year since during the year the revenue from operations has increased and relatively the average trade receivables has also increased in comparison to last year.

\*\*\*Trade Payable turnover ratio is increased as compared to last year since during the year the purchases has increased on account of increase in sales and relatively the average trade payables has also increased in comparison to last year.

#### Note 46 - Other Disclosures

- a. The Company do not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- b. Transaction with struck off companies: The Company does not have any transactions with companies struck- off under Section 248 of the Companies Act, 2013.
- c. The Company do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- d. The Company have not traded or invested in Crypto currency or Virtual Currency during the financial year.
- e. "The Company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
  - (i) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or;
  - (ii) Provide any guarantee, security or the like to or on behalf of the Ultimate beneficiaries."
- f. "The Company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
  - (i) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or;
  - (ii) Provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries."
- g. The Company do not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- h. The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.
- i. The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post- employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified. The company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.
- j. The Company is not declared wilful defaulter by any bank or financial institution or lender during the year.
- k. There are no significant subsequent events that would require adjustments or disclosures in the financial statements as on the balance sheet date.

#### Note 47

Figures for the previous years have been regrouped / restated wherever necessary to conform to current year's presentation.

## Note 48: Approval of financial statements

The financial statements were approved for issue by the board of directors on 27th May, 2023

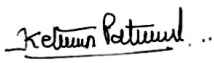
As per our Report of Even date

For Gupta Raj and Co.  
Chartered Accountants  
Firm reg No : 001687N

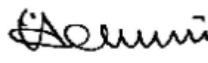


CA Nikul Jalan (Partner)  
Membership No. 112353  
Mumbai, Dated: 27th May, 2022

For and on Behalf of the Board of Directors  
of Creative Newtech Limited



Ketan C Patel  
Chairman and Managing  
Director  
DIN: 00127633



Vijay Advani  
Whole - Time Director  
DIN: 02009626



Abhijit Kanvinde  
Chief Financial Officer



Tejas Doshi  
Chief Compliance  
Officer and Company  
Secretary

# INDEPENDENT AUDITOR'S REPORT

## TO THE MEMBERS OF CREATIVE NEWTECH LIMITED

Report on the Audit of Consolidated Ind AS Financial Statements

### Opinion

We have audited the accompanying Consolidated Ind AS Financial Statements of CREATIVE NEWTECH LIMITED (Formerly Known as CREATIVE PERIPHERALS AND DISTRIBUTION LTD.) ("the Holding Company"), and its subsidiaries listed in Annexure I which comprise the consolidated balance sheet as at 31 March 2023, and the consolidated Statement of Profit and Loss (including other comprehensive income), consolidated Statement of Changes in Equity and consolidated Statement of Cash Flows for the year then ended, and Notes to the Financial Statements, including a Summary of Significant Accounting Policies and Other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated Ind AS 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, 2023, and consolidated Profit, total comprehensive income, consolidated changes in equity and its consolidated cash flows for the year ended on that date.

### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the consolidated Ind AS financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters

We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key Audit matters	Auditor's Response
1.	<p>Revenue Recognition</p> <p>The Group recognizes revenues when the control of goods are transferred to the customer at an amount that reflects the net consideration, which the Group expects to receive for those goods and/or services from customers in accordance with the terms of the contracts. In determining the sales price, the Group considers the effects of applicable rebates and discounts (variable consideration).</p> <p>The terms of sales arrangements, including the timing of transfer of control, based on the terms of relevant contract and nature of discount and rebates arrangements, create complexities that require judgment in determining sales revenues.</p> <p>Considering the above factors and the risk associated with revenue recognition, we have determined the same to be a key audit matter.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> <li>• We read and evaluated the Group's revenue recognition policy and assessed its compliance in terms of Ind AS 115 'Revenue from contracts with customers'.</li> <li>• We assessed the design and tested the operating effectiveness of internal controls related to sales and applicable rebates/discounts.</li> <li>• We performed test for a sample of sales transactions by comparing the underlying sales invoices, sales orders and other related documents to assess that revenue is recognized on transfer of control to the customer in accordance with the terms of the contract.</li> <li>• We tested on a sample basis rebates and discount schemes as approved by the management to assess its accounting. For the samples selected, we also compared that the actual rebates and discounts recognized in respect of particular schemes do not exceed their approved amounts.</li> <li>• We tested on a sample basis, that revenue has been recognized in the proper period with reference to the supporting documents including confirmations from customers.</li> <li>• We read and assessed the relevant disclosures made in the consolidated Ind AS financial statements.</li> </ul>

### Other Information

The Holding Company's management and Board of Directors is responsible for the other information. The other information comprises the information included in the Holding Company's annual report but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially

misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## **Responsibilities of Management and those charged with governance for the consolidated Ind AS financial statements**

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

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

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

## **Auditors' Responsibility for the Audit of the Consolidated Ind AS Financial Statements**

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the consolidated Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the consolidated Ind AS financial statements.

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

- Identify and assess the risks of material misstatement of the Consolidated Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated Ind AS 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 Consolidated Ind AS financial statements, including the disclosures, and whether the Consolidated Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

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

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

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

## **Other Matters**

The consolidated Financial Results include the Financial Statements of the one wholly owned subsidiary audited by us and two other subsidiaries, whose Financial Statements which are not audited by us reflects Group's share of total assets of Rs 3,479.35 Lakhs as at March 31, 2023, Group's share of total revenue of Rs 6117.34 Lakhs for the year period ended March 31, 2023 and Group's share of total net profit after tax of Rs. 729.66 lakhs for the period from April 1, 2022 to March 31, 2023 respectively, as considered in the consolidated Financial Statements and our opinion on the consolidated Financial Statements, in so far as it relates to the amounts and disclosures included in respect of these entities, is based solely on the report of other auditors.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements certified by the Management.

## 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 of India in terms of sub-section (11) of section 143 of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of subsidiary companies and joint ventures, incorporated in India, as noted in the 'Other Matter' paragraph we give in the "Annexure A" a statement on the matters specified in paragraph 3(xxi) of the Order.
2. As required by section 143(3) of the Act, we report that:
  - a) We/the other auditors whose report we have relied upon have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
  - b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books and reports of the other auditors.
  - c) The consolidated financial statements are in agreement with the books of account maintained for the purpose of preparation of the consolidated financial statements.
  - d) In our opinion, the aforesaid consolidated Financial Statements comply with the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act, read with relevant rules issued thereunder.
  - e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2023 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors appointed under Section 139 of the Act, of its subsidiary companies incorporated in India, none of the directors of any of those companies, is disqualified as on March 31, 2023 from being appointed as a director in their respective companies in terms of Section 164 (2) of the Act.
  - f) With respect to the adequacy of the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiary companies incorporated in India, and the operating effectiveness of such controls, refer to our separate Report in "Annexure B" to this report.
  - g) 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, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the subsidiaries, as noted in the 'Other matter' paragraph:
    - i. The consolidated financial statements disclose the impact of pending litigations on its consolidated financial position of the Group and its joint ventures in its consolidated financial statements – Refer Note 32 to the consolidated financial statements.
    - ii. The Group did not have any material foreseeable losses in long-term contracts including derivative contracts during the year ended March 31, 2023.
    - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor

Education and Protection Fund by the Holding Company, its subsidiaries and joint ventures, incorporated in India during the year ended March 31, 2023;.

iv.

- a. The respective managements of the Holding Company, its subsidiaries which are companies incorporated in India and whose financial statements have been audited under the Act have represented to us and other auditors of such subsidiaries, to the best of their knowledge and belief, other than as disclosed in the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any of aforesaid subsidiaries to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities, other than companies of the Group, identified in any manner whatsoever by or on behalf of the respective Holding Company or any of aforesaid subsidiaries incorporated in India ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- b. The respective managements of the Holding Company and its subsidiaries which are companies incorporated in India and whose financial statements have been audited under the Act have represented to us and other auditors of such subsidiaries and joint ventures respectively that, to the best of their knowledge and belief, other than as disclosed in the consolidated financial statements, no funds (which are material either individually or in the aggregate) have been received by the respective Holding Company or any of aforesaid subsidiaries from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiaries shall, whether, directly or indirectly, lend or invest in other persons or entities, other than companies of the Group, identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and;
- c. Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us and that performed by the auditors of the subsidiaries and joint ventures incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditor's notice that has caused us or these other auditors to believe that the representations under sub-clause (a) and (b) contain any material mis-statement.
- v. The final dividend declared and paid by the Holding Company during the year is in accordance with section 123 of the Act to the extent it applies to payment of dividend.

**FOR GUPTA RAJ & CO.**

**CHARTERED ACCOUNTANTS**

**FIRM NO. 001687N**



---

**NIKUL JALAN**

**PARTNER**

**Membership No.0112353**

**PLACE: MUMBAI**

**DATED: 27<sup>th</sup> May, 2023**

**UDIN: 23112353BGTLRP4065**



## Annexure 1

List of Subsidiaries included in the Consolidated Financial Result:

S.No.	Particulars
1	Creative Peripherals and Dist. Ltd. (Hong kong)
2	Secure Connection Limited (Hong kong)
3	Creative Ecommerce Ventures Private limited

### "Annexure A" to the Independent Auditors' Report

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

In terms of the information and explanations sought by us and given by the Holding Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief and based on the consideration of report of respective auditor of the subsidiary company incorporated in India, we state that:

(xxi) There are no qualifications or adverse remarks by the respective auditor in the Companies (Auditors Report) Order (CARO) report of the subsidiary companies (incorporated in India) included in the Consolidated Financial Statements. Therefore, the requirement to report in terms of clause 3(xxi) of the Order is not applicable to the Holding Company

**FOR GUPTA RAJ & CO.**

**CHARTERED ACCOUNTANTS**

**FIRM NO. 001687N**



**PLACE: MUMBAI**

**DATED: 27<sup>th</sup> May, 2023**

**UDIN: 23112353BGTLRP4065**

**NIKUL JALAN**

**PARTNER**

**Membership No.0112353**

## **“Annexure B” to the Independent Auditors’ Report**

(Referred to in paragraph 2 under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date)

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

### **Opinion**

We have audited the internal financial controls over financial reporting of CREATIVE NEWTECH LIMITED (Formerly Known as CREATIVE PERIPHERALS AND DISTRIBUTION LTD.) (“the Company”) as of 31 March, 2023

in conjunction with our audit of the Consolidated Ind AS 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 system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March, 2023, 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 ICAI. Our opinion is not modified in respect of this matter.

### **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 specified under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both issued by the ICAI. 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 judgement, 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.

### **Other Matters**

Our report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated Ind AS financial statements of the Holding Company, in so far as it relates to one (1) wholly owned subsidiary, which is incorporated in India, is based on the corresponding reports of the auditors of such subsidiary incorporated in India.

**FOR GUPTA RAJ & CO.**

**CHARTERED ACCOUNTANTS**

**FIRM NO. 001687N**



**PLACE: MUMBAI**

**DATED: 27<sup>th</sup> May, 2023**

**UDIN: 23112353BGTLRP4065**

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**NIKUL JALAN**

**PARTNER**

**Membership No.0112353**

Consolidated Balance Sheet as at 31st March, 2023			(Rs. in Lakhs)
Particulars	Notes	As at 31st March, 2023	As at 31st March, 2022
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
(a) Property, Plant and Equipment	2	957.29	1,037.92
(b) Intangible Assets	3	13.96	18.50
(c) Deferred Tax Assets (Net)	4	25.17	16.72
(d) Other Non Current Assets	5	0.20	0.13
<b>Total Non - Current Assets</b>		<b>996.62</b>	<b>1,073.27</b>
<b>Current Assets</b>			
(a) Inventories	6	8,125.63	9,701.69
(b) Financial Assets			
(i) Trade Receivables	7	9,218.93	8,477.26
(ii) Cash and Cash Equivalents	8	258.68	285.72
(iii) Bank Balances other than (ii) above	9	660.33	538.11
(v) Other Financial Assets	10	9.19	5.38
(c) Other Current assets	11	9,528.22	5,232.69
<b>Total Current Assets</b>		<b>27,800.98</b>	<b>24,240.85</b>
<b>Total Assets</b>		<b>28,797.60</b>	<b>25,314.12</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity Share Capital	12	1,260.00	1,200.00
(b) Other Equity	13	10,479.51	6,861.62
(c) Money Received against Share Warrant			165.00
<b>Sub Total -Equity Attributable to the owners of the company</b>		<b>11,739.51</b>	<b>8,226.62</b>
Non-Controlling Interest		876.01	610.52
<b>Total Equity</b>		<b>12,615.52</b>	<b>8,837.14</b>
<b>LIABILITIES</b>			
<b>Non-Current Liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	14	913.10	1,037.34
(b) Provisions	15	90.86	95.20
<b>Total Non - Current Liabilities</b>		<b>1,003.96</b>	<b>1,132.54</b>
<b>Current Liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	16	7,980.11	5,397.28
(ii) Trade Payables	17		
- total outstanding dues of Micro Enterprises and Small Enterprises		113.68	972.55
- total outstanding dues of creditors other than Micro Enterprises and Small Enterprises		4,574.72	5,414.01
(iii) Other Financial Liabilities	18	1,375.00	2,664.01
(b) Other Current Liabilities	19	1,066.78	793.59
(c) Provisions	20	34.57	14.17
(d) Current Tax Liabilities (Net)	21	33.26	88.83
<b>Total Current Liabilities</b>		<b>15,178.12</b>	<b>15,344.44</b>
<b>Total Equity and Liabilities</b>		<b>28,797.60</b>	<b>25,314.12</b>
Significant Accounting Policies and Notes are an integral part of the Financial Statements	1-40		

As per our attached report of even date

For Gupta Raj and Co.  
Chartered Accountants  
Firm reg No : 001687N

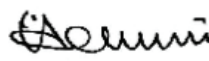


CA Nikul Jalan (Partner)  
Membership No. 112353  
Mumbai, Dated: 27th May, 2023

For and on Behalf of the Board of Directors  
of Creative Newtech Limited



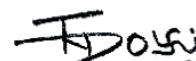
Ketan C Patel  
Chairman and Managing  
Director  
DIN: 00127633



Vijay Advani  
Whole - Time Director  
DIN: 02009626



Abhijit Kanvinde  
Chief Financial Officer



Tejas Doshi  
Chief Compliance  
Officer and Company  
Secretary

Consolidated Statement of Profit and Loss for the year ended 31st March, 2023		(Rs. in Lakhs)	
Particular	Notes	For the year ended 31st March, 2023	For the year ended 31st March, 2022
<b>Revenue</b>			
Revenue from Operations	22	1,39,275.86	94,704.47
Other Income	23	949.59	76.69
<b>Total Income</b>		<b>1,40,225.45</b>	<b>94,781.16</b>
<b>Expenses</b>			
(a) Purchases of Stock in Trade	24	1,27,532.99	89,211.30
(b) Changes in inventories of finished goods and work-in progress	25	2,067.91	(3,559.29)
(c) Employee Benefits Expenses	26	1,370.39	1,147.18
(d) Finance Costs	27	940.21	607.18
(e) Depreciation and Amortisation Expense	2 & 3	156.59	148.98
(f) Other Expenses	28	4,742.65	4,720.03
<b>Total Expenses</b>		<b>1,36,810.74</b>	<b>92,275.38</b>
<b>Profit/(Loss) before Exceptional and Extraordinary Item and Tax</b>		<b>3,414.71</b>	<b>2,505.78</b>
Exceptional and Extraordinary Item			
Loss by Fire and Theft (Refer Note No. for more details)	38	-	12.57
<b>Total Exceptional and Extraordinary Item</b>		<b>-</b>	<b>12.57</b>
<b>Profit/(Loss) before Tax</b>		<b>3,414.71</b>	<b>2,493.21</b>
<b>Tax Expense</b>			
(a) Current Tax		698.28	575.57
(c) Deferred Tax	4	(8.45)	(7.27)
<b>Total Tax Expense</b>		<b>689.83</b>	<b>568.30</b>
<b>Profit/(Loss) for the year</b>		<b>2,724.88</b>	<b>1,924.91</b>
Other Comprehensive Income			
(i) Items that will not be reclassified to profit or loss		-	-
(a) Remeasurements of Defined Benefit Plans		1.09	1.09
(b) Income Tax on above		(0.27)	(0.27)
(ii) Items that will be reclassified to profit or loss		-	-
<b>Total Other Comprehensive Income for the year</b>	-	<b>0.82</b>	<b>0.82</b>
<b>Total Comprehensive Income for the year</b>	-	<b>2,725.70</b>	<b>1,925.73</b>
<b>Profit for the year attributable to:</b>			
Owners of the company		2,459.39	1,598.56
Non controlling Interest		265.49	326.35
<b>Other comprehensive income (net of tax) attributable to:</b>			
Owners of the company		0.82	0.82
Non controlling Interest		-	-
<b>Total comprehensive income for the year attributable to:</b>			
Owners of the company		2,460.21	1,599.38
Non controlling Interest		265.49	326.35
<b>Earnings per Equity Share of Rs. 10 par value :</b>			
Basic (Rs. per share)	29	19.53	13.32
Diluted (Rs. per share)		19.53	12.88
<b>Significant Accounting Policies and Notes are an integral part of the Financial Statements</b>	<b>1-40</b>		

As per our attached report of even date

For Gupta Raj and Co.  
Chartered Accountants  
Firm reg No : 001687N

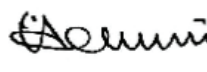


CA Nikul Jalan (Partner)  
Membership No. 112353  
Mumbai, Dated: 27th May, 2023

For and on Behalf of the Board of Directors  
of Creative Newtech Limited



Ketan C Patel  
Chairman and Managing  
Director  
DIN: 00127633



Vijay Advani  
Whole - Time Director  
DIN: 02009626



Abhijit Kanvinde  
Chief Financial Officer



Tejas Doshi  
Chief Compliance  
Officer and Company  
Secretary

Particulars	For the year ended 31st March, 2023	For the year ended 31st March, 2022
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
<b>Profit / (Loss) Before Tax</b>	<b>3,414.71</b>	<b>2,493.21</b>
<b>Adjustments for</b>		
Depreciation and Amortisation	156.59	148.98
Finance Cost	759.39	450.29
Interest on late payment	0.00	0.62
Interest on FD and ICD	(31.49)	(20.69)
OCI Amount	1.09	1.09
Provisions for expense	16.36	39.40
<b>Operating Profit Before Working Capital Changes</b>	<b>4,316.65</b>	<b>3,112.90</b>
<b>Adjustments for increase / decrease in:</b>		
Trade receivables	(741.68)	(2,891.57)
Other Financial Assets and other Current Assets	(4,299.33)	724.15
Inventories	2,067.91	(3,559.29)
Trade payable, Other Financial & Current Liabilities	(2,713.98)	1,344.17
Other Non Current Assets	(0.07)	(0.10)
<b>Cash generated from operations</b>	<b>(1,370.50)</b>	<b>(1,269.74)</b>
Income-tax (paid) / refund (net)	(753.32)	(623.34)
<b>Net cash flow used in operating activities</b>	<b>(2,123.82)</b>	<b>(1,893.08)</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of PPE, intangible assets and work in progress	(71.42)	(198.82)
Income from Investments i.e. FD and ICD	31.49	20.69
(Investment) & Redemption in bank deposit (having maturity more than 3 months)	(122.22)	(138.65)
<b>Net cash flow used in investing activities</b>	<b>(162.15)</b>	<b>(316.78)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Repayment of Long-term Borrowings	(124.24)	694.35
Repayment / Issue of Short-term Borrowings (net)	2,581.21	1,446.95
Issue of Equity Share	495.00	440.00
Issue of Share Warrant	-	165.00
Finance Cost Paid	(759.39)	(450.91)
Dividend and DDT Paid	(63.00)	(60.00)
<b>Net cash flow from financing activities</b>	<b>2,129.58</b>	<b>2,235.39</b>
<b>Net increase / (decrease) in cash and cash equivalents</b>	<b>(156.39)</b>	<b>25.53</b>
<b>Cash and cash equivalents as at the beginning of the year</b>	<b>285.72</b>	<b>225.19</b>
Exchange difference on translation of Foreign currency	129.35	35.00
<b>Cash and cash equivalents as at the end of the year</b>	<b>258.68</b>	<b>285.72</b>

**Notes:**

- The Consolidated Statement of Cash flow has been prepared under the indirect method as set out in Ind AS 7 specified under section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014.
- As per the amendment in Ind AS 7 "Statement of Cash Flow": Disclosure of changes in Liabilities arising from financing activities, including both changes arising from cash flows and non cash changes.

For the year ended 31st March, 2023

Particulars	As at 1st April, 2022	Cash Flows	Non Cash Changes	As at 31st March, 2023
Non Current Borrowings	1037.34	-124.24	-	913.10
Current Borrowings	5397.28	2582.83	-	7980.11

For the year ended 31st March, 2022

Particulars	As at 1st April, 2021	Cash Flows	Non Cash Changes	As at 31st March, 2022
Non Current Borrowings	342.99	694.35	-	1037.34
Current Borrowings	3950.33	1446.95	-	5397.28

3. Figures in bracket indicate Cash Outflow.

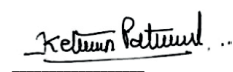
As per our attached report of even date

For Gupta Raj and Co.  
Chartered Accountants  
Firm reg No : 001687N

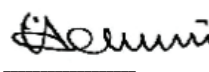


CA Nikul Jalan (Partner)  
Membership No. 112353  
Mumbai, Dated: 27th May, 2023

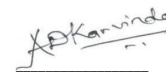
For and on Behalf of the Board of Directors  
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Officer and Company  
Secretary

**Consolidated Statement of Changes in Equity (SOCIE) For the year ended 31st March, 2023** (Rs. in Lakhs)

A. Equity share capital							No. of shares	Amount
<b>Balance as at April 1, 2021</b>							1,16,00,000	1,160.00
Changes in equity share capital during 2020-21							4,00,000	40.00
<b>Balance as at March 31, 2022</b>							1,20,00,000	1,200.00
Changes in equity share capital during the year 2021-22							6,00,000	60.00
<b>Balance as at March 31, 2023</b>							<b>1,26,00,000</b>	<b>1,260.00</b>

B. Other Equity							(Rs. in Lakhs)	
Particulars	Reserves and Surplus		Other Comprehensive Income			Total		
	Share Premium	Retained Earnings	Equity Instruments through Other Comprehensive Income	Foreign Currency Translation Reserve (FCTR A/c)	Money Received against Share Warrants			
<b>Balance as at April 1, 2022</b>	<b>1,740.78</b>	<b>4,828.19</b>	<b>(1.44)</b>	<b>293.28</b>	<b>165.00</b>	<b>7,025.81</b>		
Issue on Shares	600.00	-	-	-	-	600.00		
Profit / (Loss) for the year	-	2,459.39	-	-	-	2,459.39		
Conversion of Share Warrants into Equity Shares	-	-	-	-	(165.00)	(165.00)		
Foreign Currency translation	-	-	-	621.49	-	621.49		
Remeasurement gain / (loss) on Defined Benefit Plan	-	-	1.09	-	-	1.09		
Income Tax on above	-	-	(0.27)	-	-	(0.27)		
<b>Total Comprehensive Income for the year</b>	<b>2,340.78</b>	<b>7287.58</b>	<b>(0.62)</b>	<b>914.77</b>	<b>-</b>	<b>10,542.51</b>		
Dividend Paid	-	(63.00)	-	-	-	(63.00)		
<b>Balance as at March 31, 2023</b>	<b>2,340.78</b>	<b>7,224.58</b>	<b>(0.62)</b>	<b>914.77</b>	<b>-</b>	<b>10,479.51</b>		

Particulars	Reserves and Surplus		Other Comprehensive Income			Total
	Share Premium	Retained Earnings	Equity Instruments through Other Comprehensive Income	Foreign Currency Translation Reserve (FCTR A/c)	Money Received against Share Warrants	
<b>Balance as at April 1, 2021</b>	<b>1,340.78</b>	<b>3,289.63</b>	<b>(2.26)</b>	<b>76.27</b>	<b>-</b>	<b>4,704.43</b>
Issue on shares	400.00	-	-	-	-	400.00
Profit / (Loss) for the year	-	1,598.56	-	-	-	1,598.56
Foreign Currency translation	-	-	-	217.01	-	217.01
Remeasurement gain / (loss) on Defined Benefit Plan	-	-	1.09	-	-	1.09
Income Tax on above	-	-	(0.27)	-	-	(0.27)
<b>Total Comprehensive Income for the year</b>	<b>1,740.78</b>	<b>4,888.19</b>	<b>(1.44)</b>	<b>293.28</b>	<b>-</b>	<b>6,920.82</b>
Dividend	-	(60.00)	-	-	-	(60.00)
Share Warrant	-	-	-	-	165.00	165.00
<b>Balance as at March 31, 2022</b>	<b>1,740.78</b>	<b>4,828.19</b>	<b>(1.44)</b>	<b>293.28</b>	<b>165.00</b>	<b>7,025.81</b>

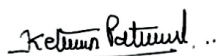
As per our attached report of even date

For Gupta Raj and Co.  
Chartered Accountants  
Firm reg No : 001687N

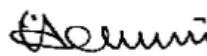


CA Nikul Jalan (Partner)  
Membership No. 112353  
Mumbai, Dated: 27th May, 2023

For and on Behalf of the Board of Directors  
of Creative Newtech Limited



Ketan C Patel  
Chairman and Managing  
Director  
DIN: 00127633



Vijay Advani  
Whole - Time Director  
DIN: 02009626



Abhijit Kanvinde  
Chief Financial Officer



Tejas Doshi  
Chief Compliance  
Officer and Company  
Secretary

## NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS - NOTE 1

### GROUP INFORMATION

Creative Newtech Ltd. (Formerly known as Creative Peripherals and Distribution Limited) is a Company domiciled in India and incorporated on 22nd September, 2004 under the provisions of the Companies Act, 1956 located at 3rd & 4th Floor, Plot No 137 AB, Kandivali Co-op Industrial Estate Limited, Charkop, Kandivali West, Mumbai - 400067. The Company's shares are listed on the NSE Ltd.

Creative Newtech Ltd is a Go-to-Market and distribution specialist for Global IT, Imaging and Lifestyle brands. The Company has an omni - channel presence, with branches across India. Creative's B2B e Commerce platform caters to a wide range of sub-distributors, retailers and other customers, and serves as a one-stop-shop offering end-to-end solutions for them. The Company is also developing an e commerce platform "C kart" for B2B transaction which will be launched in current year. The company caters to the Indian as well as international markets.

The Company and its subsidiaries (jointly referred to as the 'Group' herein under) considered in these consolidated financial statements are:

Subsidiaries:

Name of the Company	Country of Incorporation	Proportion in Equity shares
(a) Creative Peripherals and Dist. Ltd.	Hong Kong	100%
(b) Secure Connection Limited	Hong Kong	52.48%
(c) Creative Ecommerce Ventures Pvt. Ltd.	India	100%

#### 1) SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies applied by the Group in the preparation of its financial statements are listed below. Such accounting policies have been applied consistently to all the periods presented in these financial statements, unless otherwise indicated.

##### a) BASIS OF PREPARATION OF FINANCIAL STATEMENTS

These Consolidated Financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time. The Consolidated financial statements have been prepared on accrual and going concern basis. The accounting policies are applied consistently to all the periods presented in the Consolidated financial statements. All assets and liabilities have been classified as current or non-current as per the Group normal operating cycle. Based on the nature of products and their realisation in cash and cash equivalents, the Group has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities. Subsidiaries are entities where the group exercise control or hold more than one-half of its total share capital. The net assets and results of acquired businesses are included in the consolidated financial statements from their respective dates of acquisition, being the date on which the Group obtains control. The results of disposed businesses are included in the consolidated financial statements up to their date of disposal, being the date control ceases. The consolidated financial statements of the Company and its subsidiaries have been combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after eliminating intragroup balances, intra-group transactions and the unrealised profits/losses, unless cost/revenue cannot be recovered.

Non-controlling interests in the net assets of consolidated subsidiaries is identified and presented in the consolidated Balance Sheet separately within equity. Non-controlling interests in the net assets of consolidated subsidiaries consists of:

(a) The amount of equity attributable to non-controlling interests at the date on which investment



in a subsidiary is made; and

(b) The non-controlling interests share of movements in equity since the date parent subsidiary relationship came into existence.

The profit and other comprehensive income attributable to non-controlling interests of subsidiaries are shown separately in the Consolidated Statement of Profit and Loss and Consolidated Statement of Changes in Equity. The Consolidated financial statements are presented in INR, the functional currency of the Group. Items included in the consolidated financial statements of the Group are recorded using the currency of the primary economic environment in which the Group operates (the 'functional currency').

## b) **USE OF ESTIMATES**

The preparation of these consolidated financial statements in conformity with the recognition and measurement principles of Ind AS requires the management of the Group to make estimates and assumptions that affect the reported balances of assets and liabilities, disclosures relating to contingent liabilities as at the date of the consolidated financial statements and the reported amounts of income and expense for the periods presented. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods are affected. Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Group and that are believed to be reasonable under the circumstances. Information about critical judgments in applying accounting policies, as well as estimates and assumptions that have the most significant effect to the carrying amounts of assets and liabilities within the next financial year, are as follows:

- Determination of the estimated useful lives of tangible assets and the assessment as to which component of the cost may be capitalized – refer point 1(c) of significant accounting policies
- Determination of the estimated useful lives of Intangible assets and the assessment as to which component of the cost may be capitalized – refer point 1(d) of significant accounting policies
- Recognition of deferred tax assets – refer note no. 4
- Provisions and Contingent Liabilities – refer note no. 32
- Revenue recognition for Price Support – refer point 1(j) of significant accounting policies

## c) **PROPERTY, PLANT AND EQUIPMENT**

Property, Plant and Equipment are stated at acquisition cost, net of accumulated depreciation and accumulated impairment losses, if any. Cost includes acquisition cost and any capital expenditure directly attributable to the cost of acquisition. All other repair and maintenance costs that do not enhance the life or benefit of the property, plant and equipment are recognised in profit or loss as incurred.

Gains or losses arising on retirement or disposal of property, plant and equipment are recognised in the Statement of Profit and Loss.

Property, plant and equipment which are not ready for intended use as on the date of Balance Sheet are disclosed as "Capital work-in-progress".

### **DEPRECIATION METHODS, ESTIMATED USEFUL LIFE AND RESIDUAL VALUE:**

Depreciation is provided on the Written Down method on the estimated useful life as prescribed under Schedule II to the Companies Act, 2013 to allocate the cost of assets, net of their residual values, over their estimated useful lives. Depreciation is calculated on a pro-rata basis from the date of acquisition/installation till the date the assets are sold or disposed of:

<b>Asset category</b>	<b>Estimated useful life</b>
Buildings	60 years
Office equipment	5 years
Vehicle	8 years
Furniture & Fixture	10 years

Electrical Installation and Equipments	10 years
Computers and Other end devices	3 years

The residual values are not more than 5% of the original cost of the asset. The residual values, useful lives and method of depreciation of property, plant and equipment is reviewed at each financial year end and adjusted prospectively, if appropriate.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on disposal or retirement of an item of property, plant and equipment is determined as the difference between sales proceeds and the carrying amount of the asset and is recognised in profit or loss. Fully depreciated assets still in use are retained in financial statements.

#### d) **INTANGIBLE ASSETS**

Intangible Assets are recognized only when future economic benefits arising out of the assets flow to the enterprise and are amortised over their useful life 6 years as decided by the management. Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, if any. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in Statement of Profit and Loss in the period in which the expenditure is incurred. Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.

<b>Asset category</b>	<b>Estimated useful life</b>
Software	6 years

#### e) **INVESTMENT IN SUBSIDIARIES**

Investments in subsidiaries and joint venture are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. Any disposal of investments in subsidiaries or joint venture, the difference between net disposal proceeds and the carrying amounts are recognized in the Statement of Profit and Loss.

#### f) **INVENTORIES**

Inventories are valued at the lower of cost and net realizable value. Cost includes cost of purchase and other cost incurred in bringing the inventories to their present location and condition. Cost is determined on First in First out (FIFO) basis. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

#### g) **CASH AND CASH EQUIVALENTS**

The Group considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

#### h) **FINANCIAL INSTRUMENTS**

Financial assets and liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial

recognition of financial asset or financial liability.

### **FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME (FVTOCI)**

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows that give rise on specified dates to solely payments of principal and interest on the principal amount outstanding and by selling financial assets.

The Company has made an irrevocable election to present subsequent changes in the fair value of equity investments not held for trading in Other Comprehensive Income

### **FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (FVTPL)**

Financial assets are measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in profit or loss.

### **FINANCIAL LIABILITIES**

All financial liabilities are recognised initially at fair value and in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and other current liabilities.

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. The EIR amortisation is included as finance costs in the Statement of Profit and Loss.

### **OFF SETTING OF FINANCIAL INSTRUMENTS**

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

#### **i) FAIR VALUE MEASUREMENT**

- i. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date under current market conditions regardless of whether that price is directly observable or estimated using another valuation technique. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:
  - In the principal market for the asset or liability or
  - In the absence of a principal market, in the most advantageous market for the asset or liability.
- ii. The principal or the most advantageous market must be accessible by the Group. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.
- iii. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

- iv. All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:
- Level 1 - This hierarchy uses quoted (unadjusted) market prices in active markets for identical assets or liabilities.
  - Level 2 - The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on company specific estimates.
  - Level 3 - If the lowest level input that is significant to the fair value measurement is not based on observable market data.
- v. This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

**j) PROVISIONS AND CONTINGENT LIABILITIES**

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance Sheet date. If the effect of the time value of money is material, provisions are discounted to reflect its present value using a current pre-tax rate that reflects the current market assessments of the time value of money and the risks specific to the obligation. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

**Post - Sales Support**

The company is mainly in to B-2-B distribution of branded products and works on pure Agent and Principal relationship, hence no provision are required since the obligation for post sales service is not on the company and the same is provided by the brand itself.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

**k) REVENUE RECOGNITION**

Revenue from sale of goods is recognised when all the significant risks and rewards of ownership in the goods are transferred to the buyer as per the terms of the contract, there is no continuing managerial involvement with the goods and the amount of revenue can be measured reliably. The Company retains no effective control of the goods transferred to a degree usually associated with ownership and no significant uncertainty exists regarding the amount of the consideration that will be derived from the sale of goods. Revenue is measured at fair value of the consideration received or receivable, after deduction of any trade discounts, volume rebates and any taxes or duties collected on behalf of the government which are levied on sales such as GST etc. Export Sales are booked at the rate on the date of transaction and the resultant Gain/ Loss on realisation or on translation is accounted as "Foreign Exchange Rate Fluctuation" and is dealt with in the statement of Profit and Loss Account.

Income from services rendered is recognised based on agreements/ arrangements with the customers at the reporting date and the amount of revenue can be measured reliably.

Interest income is recognized using the effective interest rate (EIR) method when it is probable that economic benefits will flow to the Group and the amount of income can be measured reliably.

## **l) EXPENDITURE**

Expenses are accounted on accrual basis.

## **m) EMPLOYEE BENEFITS**

### **i) SHORT TERM EMPLOYEE BENEFITS**

Short-term employee benefits are employee benefits (other than termination benefits) that are expected to be settled wholly before twelve months such as salaries, bonuses, performance incentives, etc., after the end of the annual reporting period in which the employees render the related service. The Group recognises above short term employee benefits directly to Statement of Profit and Loss as an expense in the year in which services are rendered.

### **ii) DEFINED CONTRIBUTION PLANS**

Contributions to defined contribution schemes such as employees' state insurance, labour welfare fund, superannuation scheme, employee pension scheme etc. are charged as an expense based on the amount of contribution required to be made as and when services are rendered by the employees. Company's provident fund contribution, in respect of certain employees, is made to a government administered fund and charged as an expense to the Statement of Profit and Loss. The above benefits are classified as Defined Contribution Schemes as the Company has no further defined obligations beyond the monthly contributions.

### **iii) DEFINED BENEFIT PLANS**

The Company also provides for retirement/post-retirement benefits in the form of gratuity, pensions (in respect of certain employees) For defined benefit plans, the amount recognised as 'Employee benefit expenses' in the Statement of Profit and Loss is the cost of accruing employee benefits promised to employees over the year and the costs of individual events such as past/future service benefit changes and settlements (such events are recognised immediately in the Statement of Profit and Loss). Any differences between the interest income/ loss on plan assets and the return actually achieved, and any changes in the liabilities over the year due to changes in actuarial assumptions or experience adjustments within the plans, are recognised immediately in 'Other comprehensive income' and subsequently not reclassified to the Statement of Profit and Loss.

## **n) IMPAIRMENT OF NON FINANCIAL ASSETS**

Assessment for impairment is done at each Balance Sheet date as to whether there is any indication that a non-financial asset may be impaired. If any indication of impairment exists, an estimate of the recoverable amount of the individual asset/cash generating unit is made. Asset/cash generating unit whose carrying value exceeds their recoverable amount are written down to the recoverable amount by recognising the impairment loss as an expense in the Statement of Profit and Loss. The impairment loss is allocated to reduce the carrying amount of assets of the unit, pro rata based on the carrying amount of each asset in the unit. Recoverable amount is higher of an asset's or cash generating unit's fair value less cost of disposal and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset or cash generating unit and from its disposal at the end of its useful life. Assessment is also done at each Balance Sheet date as to whether there is any indication that an impairment loss recognised for an asset in prior accounting periods may no longer exist or may have decreased, basis the assessment a reversal of an impairment loss for an asset is recognised in the Statement of Profit and Loss account.

## **o) TAXES ON INCOME**

Income tax expense comprises current and deferred tax and is recognized in the Statement of Profit and Loss except to the extent that it relates to a business combination or to an item which is recognized directly in equity or in other comprehensive income.

## **CURRENT TAX**

Current tax is the expected tax payable/receivable on the taxable income/ loss for the year using

applicable tax rates at the Balance Sheet date, and any adjustment to taxes in respect of previous years. It is measured using tax rates enacted or substantively enacted at the reporting date.

### **DEFERRED TAX**

Deferred tax is recognised in respect of temporary differences between the carrying amount of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. A deferred tax liability is recognised based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted, or substantively enacted, by the end of the reporting period.

Deferred tax assets are recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis. Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities; and the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority.

### **p) LEASES**

Ind AS 116 requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Group makes an assessment on the expected lease term on a lease-by-lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Group considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of the lease and the importance of the underlying asset to Group's operations taking into account the location of the underlying asset and the availability of suitable alternatives. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances.

The Group's significant leasing arrangements are in respect of premises used for business, are accounted as a short term lease. The aggregate lease rentals payable are charged as rent in the statement of profit and loss. These lease arrangements are cancellable in nature and can be terminated by giving notice for a period, which vary from one months to three months

### **q) FOREIGN CURRENCY TRANSACTION**

The financial statements are presented in INR, the functional currency of the Company. Items included in the financial statements of the Company are recorded using the currency of the primary economic environment in which the Company operates (the 'functional currency'). Foreign currency transactions are recorded at the rate of exchange prevailing on the date of the transactions. At the year end, all the monetary assets and liabilities denominated in foreign currency are restated at the closing exchange rates. Exchange differences resulting from the settlement of such transactions and from the translation of such monetary assets and liabilities at the year end are recognised in the Statement of Profit and Loss.

### **r) EARNINGS PER SHARE**

Basic earnings per share is computed by dividing the net profit for the period attributable to the equity shareholders of the Company by the weighted average number of equity shares outstanding during the period. The Company did not have any potentially dilutive securities in any of the year presented.

**Note 2: Property, Plant and Equipment consist of the following as on March 31, 2023 (Rs. in Lakhs)**

Particulars	Building	Computer and Data Processing Units	Electrical Installation and Equipments	Furniture and Fittings	Motor Vehicles	Office Equipment	Plant and Machinery	Total
<b>Gross Carrying Value:</b>								
Cost at April 1, 2022	888.11	170.80	39.51	126.48	132.45	159.76	73.76	1590.85
Additions made in Year 2022-23 as at March 31, 2023	-	26.78	8.89	21.52	-	14.23		71.42
Disposals made in Year 2022-23 as at March 31, 2023	-	-	-	-	-	-	-	-
<b>Cost as at March 31, 2023</b>	<b>888.11</b>	<b>197.58</b>	<b>48.40</b>	<b>148.00</b>	<b>132.45</b>	<b>173.99</b>	<b>73.76</b>	<b>1662.27</b>
<b>Accumulated Depreciation and Amortisation:</b>								
Accumulated Depreciation as at April 1, 2022	145.47	137.92	15.14	54.28	53.94	116.49	29.69	552.93
Depreciation for Year 2022-23 as on March 31, 2023	36.17	27.11	8.09	20.70	24.12	22.10	13.76	152.05
Disposals for Year 2022-23 as at March 31, 2023	-	-	-	-	-	-	-	-
<b>Accumulated Depreciation as at March 31, 2023</b>	<b>181.64</b>	<b>165.03</b>	<b>23.23</b>	<b>74.98</b>	<b>78.06</b>	<b>138.59</b>	<b>43.45</b>	<b>704.98</b>
<b>Net Carrying amount as at March 31, 2023</b>	<b>706.47</b>	<b>32.55</b>	<b>25.17</b>	<b>73.02</b>	<b>54.38</b>	<b>35.40</b>	<b>30.31</b>	<b>957.29</b>

**Property, Plant and Equipment consist of the following as on March 31, 2022 (Rs. in Lakhs)**

Particulars	Building	Computer and Data Processing Units	Electrical Installation and Equipments	Furniture and Fittings	Motor Vehicles	Office Equipment	Plant and Machinery	Total
<b>Gross Carrying Value:</b>								
Cost at April 1, 2021	888.11	143.47	26.99	102.41	54.48	126.17	51.75	1393.36
Additions made in Year 2021-22 as at March 31, 2022	-	27.33	12.52	24.07	77.97	33.59	22.01	197.49
Disposals made in Year 2021-22 as at March 31, 2022	-	-	-	-	-	-	-	-
<b>Cost as at March 31, 2022</b>	<b>888.11</b>	<b>170.80</b>	<b>39.51</b>	<b>126.48</b>	<b>132.45</b>	<b>159.76</b>	<b>73.76</b>	<b>1590.85</b>
<b>Accumulated Depreciation and Amortisation:</b>								
Accumulated Depreciation as at April 1, 2021	107.45	117.91	8.80	33.02	36.74	93.11	11.35	408.38
Depreciation for Year 2021-22 as at March 2022	38.02	20.01	6.33	21.26	17.20	23.38	18.34	144.55
Disposals for Year 2021-22 as at March 31, 2022	-	-	-	-	-	-	-	-
<b>Accumulated Depreciation as at March 31, 2022</b>	<b>145.47</b>	<b>137.92</b>	<b>15.14</b>	<b>54.28</b>	<b>53.94</b>	<b>116.49</b>	<b>29.69</b>	<b>552.93</b>
<b>Net Carrying amount as at March 31, 2022</b>	<b>742.63</b>	<b>32.88</b>	<b>24.38</b>	<b>72.19</b>	<b>78.50</b>	<b>43.27</b>	<b>44.07</b>	<b>1037.92</b>

**Note:**

- The Company has measured all its Property, Plant and Equipment at the Previous GAAP Cost as its deemed cost on the date of transition to Ind AS.
- The Valuation of Property, Plant and Equipment has been taken, valued and certified by the managing director of the company.
- The management has reviewed the carrying values of the Property Plant and Equipment for impairment at the year end and it is concluded that no property, plant and equipments requires Impairment of Assets.
- Movable Plant and Equipment's (fixed assets) are hypothecated with Axis Bank, HDFC and SBI Bank against bank finance.
- Building is hypothecated with SBI Bank as collateral for Fund and Non fund based facility obtained from Bank.

<b>Note 3: Non Current: Intangible Assets</b>		(Rs. in Lakhs)
<b>Particulars</b>	<b>As at March 31, 2023</b>	<b>As at March 31, 2022</b>
Computer Software	18.50	21.60
Addition during year	0.00	1.33
<b>Less: Amortisation</b>	(4.54)	(4.43)
<b>Total</b>	<b>13.96</b>	<b>18.50</b>

Note: Computer Software includes development charges of an e-commerce website "C - Kart". The management has determined the useful life of 6 years for computer software and shall be amortised accordingly.

<b>Note 4: Deferred Tax (Liability)/ Assets (Net)</b>		(Rs. in Lakhs)
<b>Particulars</b>	<b>As at March 31, 2023</b>	<b>As at March 31, 2022</b>
<b>Deferred Tax Liability on:</b>		
Property Plant & Equipment and Intangible Assets	6.40	10.81
<b>Deferred Tax Assets on:</b>		
Employee Benefits	31.57	27.53
<b>Total</b>	<b>25.17</b>	<b>16.72</b>

Note: In accordance with the Ind AS 12, the Deferred tax expense of Rs. 8.45 Lakhs for the year (Rs. 7.27 lakhs for 31st March, 2022) has been recognised in the Statement of Profit & Loss.

<b>Note 5: Other Non-current assets</b>		(Rs. in Lakhs)
<b>Particulars</b>	<b>As at March 31, 2023</b>	<b>As at March 31, 2022</b>
Processing Fees to be written Off	0.20	0.13
<b>Total</b>	<b>0.20</b>	<b>0.13</b>

<b>Note 6: Inventories</b>		(Rs. in Lakhs)
<b>Particulars</b>	<b>As at March 31, 2023</b>	<b>As at March 31, 2022</b>
Finished Goods	8125.63	9,701.69
(As taken, valued and certified by Management)		
<b>Total</b>	<b>8,125.63</b>	<b>9,701.69</b>

Note:(a) Inventories are carried at lower of Cost or Net Realisable Value  
(b) For security / hypothecation details, refer to note no. 14 and 16

<b>Note 7: Trade Receivables</b>		(Rs. in Lakhs)
<b>Particulars</b>	<b>As at March 31, 2023</b>	<b>As at Mar 31, 2022</b>
<b>Secured</b>	-	-
Considered Good		
<b>Unsecured</b>	9,215.61	8,467.56
Considered Good		
<b>Trade receivables which have significant increase in credit risk</b>	<b>26.05</b>	<b>19.40</b>
Less : Provision for Doubtful Debts	(22.73)	(9.70)
<b>Total</b>	<b>9,218.93</b>	<b>8,477.26</b>
Trade receivables from Related Parties	109.07	107.05
Trade receivables - Others	9,132.59	8,379.91
Less : Provision for credit impaired trade receivables	22.73	9.70
<b>Total</b>	<b>9,218.93</b>	<b>8,477.26</b>



**Trade Receivables ageing schedule with age 1 year, 1-2 year, 2-3 year & More than 3 years**
**As at March 2023** (Rs. in Lakhs)

Sr. No.	Particulars	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
1.	Undisputed Trade receivables – considered good	8,863.80	129.32	160.15	7.30	55.04	9,215.61
2.	Undisputed Trade Receivables – considered doubtful	-	-	-	-	-	-
3.	Disputed Trade Receivables considered good	-	-	-	6.65	19.40	26.05
4.	Disputed Trade Receivables considered doubtful	-	-	-	-	-	-
5.	Provision towards disputed Trade receivables	-	-	-	-	-	(22.73)
<b>Total</b>		<b>8,863.80</b>	<b>129.32</b>	<b>160.15</b>	<b>13.95</b>	<b>74.44</b>	<b>9,218.93</b>

**As at March 2022** (Rs. in Lakhs)

Sr. No.	Particulars	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
1.	Undisputed Trade receivables – considered good	8,063.28	235.61	98.95	34.56	35.16	8,467.56
2.	Undisputed Trade Receivables – considered doubtful	-	-	-	-	-	-
3.	Disputed Trade Receivables considered good	-	-	-	8.13	11.27	19.40
4.	Disputed Trade Receivables considered doubtful	-	-	-	-	-	-
5.	Provision towards disputed Trade receivables	-	-	-	-	-	(9.70)
<b>Total</b>		<b>8,063.28</b>	<b>235.61</b>	<b>98.95</b>	<b>42.69</b>	<b>46.43</b>	<b>8,477.26</b>

**Note:** a) For security / hypothecation details, refer to note no. 17  
b) The trade receivables ageing have been disclosed on due basis.  
c) For Related party transactions details kindly refer note no. 33

**Note 8: Cash and Cash Equivalents** (Rs. in Lakhs)

Particulars	As at March 31, 2023	As at Mar 31, 2022
Cash in Hand	9.66	9.79
Balances With Banks:		
- In Current Accounts	249.02	275.93
<b>Total</b>	<b>258.68</b>	<b>285.72</b>

**Note 9: Bank Balances other than Cash and Cash Equivalents** (Rs. in Lakhs)

Particulars	As at March 31, 2023	As at Mar 31, 2022
Earmarked balances in unclaimed Dividend Account	15.33	9.17
Margin Money with Bank	645.00	528.94
<b>Total</b>	<b>660.33</b>	<b>538.11</b>

**Note:** Margin Money with Bank are held by Banks against Bank Guarantee and Letter of credits.

<b>Note 10: Current: Financial Assets</b>			(Rs. in Lakhs)	
<b>Particulars</b>	<b>As at March 31, 2023</b>		<b>As at Mar 31, 2022</b>	
Other Financial Assets : Current				
Accrued Interest		9.19		5.38
<b>Total</b>		<b>9.19</b>		<b>5.38</b>

<b>Note 11: Other Current assets</b>			(Rs. in Lakhs)	
<b>Particulars</b>	<b>As at March 31, 2023</b>		<b>As at Mar 31, 2022</b>	
<b>Unsecured</b>				
Advances to Suppliers towards Goods/ Services		1,737.81		1,238.77
Loans and advances to Employees		49.79		35.03
Security Deposits		219.32		231.19
Prepaid Expenses		60.86		18.24
Duties & Taxes Receivables		7450.29		3,683.42
Advances to Others		10.15		26.04
<b>Total</b>		<b>9,528.22</b>		<b>5,232.69</b>
<b>Considered Doubtful</b>				
Less : Provision for Doubtful Advance				
<b>Total</b>		<b>9,528.22</b>		<b>5,232.69</b>

**Note:**

- i. Loans and Advances to Employees included above are Interest free in nature which meets the definition of Financial Assets and are dealt accordingly in accordance with Ind As 109.
- ii. Loans and Advances to Others represents Advance paid towards Clearing charges.
- iii. The holding company has received a favourable order from the Tribunal (CESTAT) dated 17th July 2020, holding that the cameras imported are Digital Still Image Video Camera and entitled to a NIL duty rate. Basis this order, the company has applied for a refund of the excess duties paid under protest in the past amounting Rs. 4,62,08,851/- (Rupees Four Crore Sixty Two Lacs Eight Thousand Eight Hundred and Fifty One only). This amount is received during the financial year under consideration.

**Note 12 : Equity Share capital**

<b>a. Details of authorised, issued and subscribed share capital</b>				
<b>Particulars</b>	<b>As at March 31, 2023</b>		<b>As at March 31, 2022</b>	
	<b>No. of shares</b>	<b>Rs. in lakhs</b>	<b>No. of shares</b>	<b>Rs. in lakhs</b>
<b>Authorised Capital</b> (1,40,00,000 Equity shares of Rs 10 each)	1,40,00,000	1,400.00	1,40,00,000	1,400.00
<b>Issued, Subscribed &amp; Paid Up</b> (1,20,00,000 Equity shares of Rs 10 each)	-	-	1,20,00,000	1,200.00
<b>Issued, Subscribed &amp; Paid Up</b> (1,26,00,000 Equity shares of Rs 10 each)	1,26,00,000	1,260.00		
<b>Total Share Capital</b>	<b>1,26,00,000</b>	<b>1,260.00</b>	<b>1,20,00,000</b>	<b>1,200.00</b>
<b>b. Reconciliation of No. of Equity shares and Share Capital outstanding</b>				
<b>Particulars</b>	<b>As at March 31, 2023</b>		<b>As at March 31, 2022</b>	
	<b>No. of shares</b>	<b>Rs. in lakhs</b>	<b>No. of shares</b>	<b>Rs. in lakhs</b>
Shares outstanding at the beginning of the year	1,20,00,000	1,200.00	1,16,00,000	1,160.00
Add: Bonus Shares issued during the year	-	-	-	
Add: Issued during the year	6,00,000	60.00	4,00,000	40.00
<b>Shares outstanding at the end of the year</b>	<b>1,26,00,000</b>	<b>1,260.00</b>	<b>1,20,00,000</b>	<b>1,200</b>

c. Particulars of shareholders holding more than 5% of shares held				
Name of Shareholder	As at March 31, 2023		As at March 31, 2022	
	No. of shares	% holding	No. of shares	% holding
Ketan Chhaganlal Patel	79,39,520	63.01%	79,39,520	66.16%
<b>Total</b>	<b>79,39,520</b>	<b>63.01%</b>	<b>79,39,520</b>	<b>66.16%</b>

d. Details of shares held by Promoters and Promoter's group					
Promoter and Promoter's name	2022-23		2021-22		% change during the period
	No. of Shares (FV - Rs. 2)	%of total shares*	No. of Shares (FV - Rs. 2)	%of total shares*	
Purvi Ketan Patel	59,200	0.47%	59,200	0.49%	-4.76%
Ketan Chhaganlal Patel	79,39,520	63.01%	79,39,520	66.16%	-4.76%
<b>Total</b>	<b>79,98,720</b>	<b>63.48%</b>	<b>79,98,720</b>	<b>66.66%</b>	<b>(2.30)</b>

e. During the previous year the company had issued 4,00,000 equity shares and 6,00,000 Fully Convertible Warrants of Face value of Rs. 10 each to one equity share full paid up on preferential basis at an issue price of Rs. 110 per share at a premium of Rs. 100 Per share on Extraordinary General Meeting held on 27th July 2021. The same were allotted to the respective members on 19th August 2021. During the year the above 6,00,000 fully convertible warrants are converted to fully paid 6,00,000 equity shares of face vale of Rs. 10 each and the respective share premium of Rs. 100 per share amounting to 600 Lakhs is included in Share Premium Account under the head Other Equity.

f. **Rights, preferences and restrictions :**

- The company has only one class of shares referred to as equity shares having a par value of Rs 10/- each. Each holder of equity shares is entitled to one vote per share.
- The Company declares and pays dividend in Indian rupees. Final dividend, if any, proposed by the Board of Directors is recorded as a liability on the date of the approval of the shareholders in the ensuing Annual General Meeting; in case of interim dividend, it is recorded as a liability on the date of declaration by the Board of Directors of the Company.
- In the event of liquidation, the equity shareholders are eligible to receive the residual assets of the Company after distribution of all preferential amounts, in proportion to their shareholding. However, no such preferential amounts exist currently.

Note 13: Other Equity		(Rs. in Lakhs)	
Particulars	As at March 31, 2023	As at Mar 31, 2022	
<b>1 Reserves and Surplus</b>			
<b>a. Share Premium</b>			
Opening Balance	1740.78	1340.78	
Add: Share Premium against Issue of Shares	600.00	400.00	
<b>Total</b>	<b>2,340.78</b>	<b>1,740.78</b>	
<b>b. Share Options Outstanding</b>			
Balance as at the beginning of the year	4,829.01	3,289.63	
Add/(Less): Profit/ (Loss) for the year	2,459.39	1,599.38	
Add/(Less): Adjustment	(0.82)	-	
Less: Dividend Paid	(63.00)	(60.00)	
<b>Total</b>	<b>7,224.58</b>	<b>4,829.01</b>	
<b>c. Other Comprehensive Income</b>			
Opening Balance	(1.44)	(2.26)	
Add/ (Less): Remeasurement gain / (loss) on defined benefit plan	0.82	0.82	
<b>Total</b>	<b>(0.62)</b>	<b>(1.44)</b>	

<b>d. Foreign Currency Translation Reserve</b>		
Opening Balance	293.28	76.27
Add/ (Less): Changes during the year	621.49	217.01
<b>Total</b>	<b>914.77</b>	<b>293.28</b>
<b>e. Equity Instruments through Other Comprehensive Income</b>		
Share Warrant	-	165.00
<b>Total</b>	<b>10,479.51</b>	<b>7,026.62</b>

The description of the nature and purpose of each reserve within equity is as follows :

**a. Share Premium**

Securities premium is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of section 52 of the Companies Act, 2013.

**b. Retained Earnings**

Retained earnings are the profits that the Company has earned till date. It is a free reserve which can be used for meeting the future contingencies, creating working capital for business operations, strengthening the financial position of the Company etc.

**c. Foreign Currency Translation Reserve**

Exchange differences arising on translation of the foreign subsidiaries are recognised in Other Comprehensive Income as described in accounting policy and accumulated in a separate reserve within equity. The cumulative amount shall be reclassified to the statement of profit and loss when the net investment is de-recognised by the Company.

**Note 14: Borrowings : Non-current Financial** (Rs. in Lakhs)

Particulars	As at March 31, 2023	As at Mar 31, 2022
<b>Secured</b>		
Borrowings		
Term Loan	913.10	1,037.34
<b>Total</b>	<b>913.10</b>	<b>1,037.34</b>

**14.1 Security and Repayment Terms :**

**Notes:**

- Term Loan from Axis Bank of Rs. 190.50 Lakhs outstanding as on 31st March 2023 (31st March, 2022 : Rs. 236.50 Lakhs) is secured through first ranking hypothecation / charge / pledge / mortgage of following immovable properties alongwith HDFC Bank
  - Flat No. 801/B, L T Road, Pratap Heritage
  - Flat No. A/7, SVP road, Nikunj CHS
  - Flat No. 102, Disha residency, Khetwadi road
  - Office No. B 215 Mandapeshwar Industrial estate, Off SV road, Borivali west and Fixed deposit of Rs. 0.83 Crores.
  - FDR of Rs. 0.83 Crores"
- Term Loan from HDFC bank is secured with immovable properties as mentioned in point no a) from (1) to (4) above, Book debts and Fixed deposit as provided in latest Sanction letter.
- ICICI Bank and Daimler - Motor vehicle loan is secured against the mortgage of respective Motor vehicle
- State Bank of India (ECLGS Loan) is primarily secured against Stocks, RM, finished goods, book debts & receivables and other current assets of the company. Office premises 3rd and 4th Floor Govt. Ind. Estate, Charkop, Kandivali west is mortgaged as collateral security.
- Term Loan from DBS bank is secured with entire current assets and movable fixed assets having pari passu charge with Axis, SBI and HDFC bank. Immovable properties as mentioned in point no a) from (1) to (4) above is also hypothecated, and Fixed deposit as provided in latest Sanction letter is to be maintained by the company.
- All the above term loan are personally guaranteed by Ketan and Purvi Patel, directors of the company.
- The above loans carry interest rate in the range of 8.25% to 11% p.a

**Note 15: Provisions : Non-current** (Rs. in Lakhs)

Particulars	As at March 31, 2023	As at Mar 31, 2022
Provision for Employee benefit	90.86	95.20
<b>Total</b>	<b>90.86</b>	<b>95.20</b>

<b>Note 16: Current: Financial Liabilities</b> (Rs. in Lakhs)		
<b>Particulars</b>	<b>As at March 31, 2023</b>	<b>As at Mar 31, 2022</b>
<b>Borrowings :</b>		
<b>Secured</b>		
Loans repayable on demand from Others	7,894.08	<b>5,199.83</b>
<b>Unsecured</b>		
Unsecured Loans from Directors/ Related Parties	86.03	197.45
<b>Total</b>	<b>7,980.11</b>	<b>5,397.28</b>
<b>Note:</b>		
a. Cash Credit from Banks is secured against hypothecation of Stocks and Book debts & Immovable Property of Holding company		
b. Cash credit is payable on demand, carries interest rate of 8.25% to 11%		
c. Cash credit and Buyer's credit is guaranteed by Director, Chairperson and Wholetime director		
d. Unsecured Loan from Directors and relative of directors carries interest at the rate of 12%.		

<b>Note 17 : Trade Payables</b> (Rs. in Lakhs)		
<b>Particulars</b>	<b>As at March 31, 2023</b>	<b>As at Mar 31, 2022</b>
Due to Micro and Small enterprises	113.68	972.55
Due to others	4,574.72	5,414.01
<b>Total</b>	<b>4,688.40</b>	<b>6,386.56</b>

#### Trade Payables ageing schedule with age 1 year, 1-2 year, 2-3 year & More than 3 years

<b>As at March 2023</b> (Rs. in Lakhs)						
<b>Sr. No.</b>	<b>Particulars</b>	<b>Outstanding for following periods from due date of payment</b>				<b>Total</b>
		<b>Less than 1 year</b>	<b>1-2 years</b>	<b>2-3 years</b>	<b>More than 3 years</b>	
1.	MSME	113.67	0.01	-	-	113.68
2.	Others	4,549.80	3.72	-	21.20	4,574.72
3.	Disputed Dues - MSME	-	-	-	-	-
4.	Disputed Dues - Others	-	-	-	-	-
<b>Total</b>		<b>4,663.47</b>	<b>3.73</b>	<b>-</b>	<b>21.20</b>	<b>4,688.40</b>

<b>As at March 2022</b> (Rs. in Lakhs)						
<b>Sr. No.</b>	<b>Particulars</b>	<b>Outstanding for following periods from due date of payment</b>				<b>Total</b>
		<b>Less than 1 year</b>	<b>1-2 years</b>	<b>2-3 years</b>	<b>More than 3 years</b>	
1.	MSME	972.55	-	-	-	972.55
2.	Others	5,236.87	113.77	42.23	21.14	5,414.01
3.	Disputed Dues - MSME	-	-	-	-	-
4.	Disputed Dues - Others	-	-	-	-	-
<b>Total</b>		<b>6,209.42</b>	<b>113.77</b>	<b>42.23</b>	<b>21.14</b>	<b>6,386.56</b>

<b>Note 18: Other Financial Liabilities : Current</b> (Rs. in Lakhs)		
<b>Particulars</b>	<b>As at March 31, 2023</b>	<b>As at March 31, 2022</b>
<b>Other Financial Liabilities</b>		
Creditors for Expenses	254.82	458.29
Other Payables	1,120.18	2,205.72
<b>Total</b>	<b>1,375.00</b>	<b>2,664.01</b>

<b>Note 19: Other Current Liabilities</b> (Rs. in Lakhs)		
<b>Particulars</b>	<b>As at March 31, 2023</b>	<b>As at March 31, 2022</b>
<b>Other Current Liabilities</b>		
Statutory dues payable	83.92	44.84
Advances from customers	982.86	748.75
<b>Total</b>	<b>1,066.78</b>	<b>793.59</b>
<b>Note 20: Provisions : Current</b> (Rs. in Lakhs)		
<b>Particulars</b>	<b>As at March 31, 2023</b>	<b>As at March 31, 2022</b>
Provision for Employee benefit	34.57	14.17
<b>Total</b>	<b>34.57</b>	<b>14.17</b>
<b>Note 21: Current Tax Liabilities (Net)</b> (Rs. in Lakhs)		
<b>Particulars</b>	<b>As at March 31, 2023</b>	<b>As at March 31, 2022</b>
Provision for Tax	33.26	88.83
<b>Total</b>	<b>33.26</b>	<b>88.83</b>
<b>Note 22: Revenue from Operations</b> (Rs. in Lakhs)		
<b>Particulars</b>	<b>As at March 31, 2023</b>	<b>As at March 31, 2022</b>
Sale of Products		
Trade Goods	1,37,622.23	93,388.10
Other Operating Revenues	1653.63	1316.37
<b>Total</b>	<b>1,39,275.86</b>	<b>94,704.47</b>
<b>22.1 : Sales by Performance obligations</b>		
Performance obligations are satisfied at a point in time i.e. when the customer obtains control of goods on its receipt. In case of export of goods, the control of goods is transferred on receipt of bill of lading / mate receipt.		
<b>22.2A: Revenue from contracts with customers disaggregated based on nature of products or services</b>		<b>(Rs. in Lakhs)</b>
<b>i. Revenue from Sale of Products</b>	<b>As at March 31, 2023</b>	<b>As at March 31, 2022</b>
<b>Segment wise Sales</b>		
Enterprise Business – EB	92,159.98	54,216.16
Fast Moving Social – Media Gadgets – FMSG	19,720.15	18,687.68
Fast Moving Electronics Goods – FMEG	1,070.85	1,069.39
Fast Moving Consumer Technology – FMCT	24,671.25	19,414.87
<b>ii. Other Operating Revenue</b>		
Export entitlements	1653.63	1316.37
<b>Total</b>	<b>1,39,275.86</b>	<b>94,704.47</b>
<b>22.2B: Revenue from contracts with customers disaggregated based on geography</b>		
i. India	85,020.17	48,508.95
ii. Outside India	52,602.06	44,879.15
Add: Other Operating Revenue	1,653.63	1,316.37
	<b>1,39,275.86</b>	<b>94,704.47</b>
<b>22.3 : Reconciliation of contract price with Revenue from Operations</b>		
<b>Contract price</b>	1,37,739.28	93,515.84
<b>Less:</b>		
Discount and Rate difference	(117.05)	(127.74)
Incentives and Schemes		

<b>Revenue from Sale of Products</b>		
Add:		
Other Operating Revenue	1,653.63	1,316.37
<b>Revenue from Operations</b>	<b>1,39,275.86</b>	<b>94,704.47</b>

<b>Note 23: Other Income</b> (Rs. in Lakhs)		
<b>Particulars</b>	<b>As at March 31, 2023</b>	<b>As at March 31, 2022</b>
Interest Income		
- on FD	29.31	20.49
- on Others	2.18	1.76
Bank Interest	-	0.20
Insurance Claim	-	15.31
Other Income	20.85	38.93
Exchange Gain (Net)	897.25	-
<b>Total</b>	<b>949.59</b>	<b>76.69</b>

<b>Note 24: Cost of Materials Consumed</b> (Rs. in Lakhs)		
<b>Particulars</b>	<b>As at March 31, 2023</b>	<b>As at March 31, 2022</b>
Traded Goods		
Purchases	1,27,532.99	89,211.30
<b>Net Purchases</b>	<b>1,27,532.99</b>	<b>89,211.30</b>

<b>Note 25: Changes in inventories of finished goods</b> (Rs. in Lakhs)		
<b>Particulars</b>	<b>As at March 31, 2023</b>	<b>As at March 31, 2022</b>
<b>Opening Stock</b>		
- Stock in Trade	9,701.69	5,979.21
Add: On Account of Unrealised Profit Adjustment	491.85	163.19
<b>- Stock in Trade</b>	<b>10,193.54</b>	<b>6,142.40</b>
<b>Closing Stock</b>		
- Stock in Trade	8,125.63	9,701.69
<b>Total</b>	<b>2,067.91</b>	<b>(3,559.29)</b>

<b>Note 26: Employee Benefits Expenses</b> (Rs. in Lakhs)		
<b>Particulars</b>	<b>As at March 31, 2023</b>	<b>As at March 31, 2022</b>
Salaries, Wages and Bonus etc	1,271.65	1,046.30
Contribution to provident and other funds	48.18	41.13
Gratuity Expense	12.83	18.99
Staff Welfare Expenses	37.73	40.76
<b>Total</b>	<b>1,370.39</b>	<b>1,147.18</b>

<b>Note 27: Finance Costs</b> (Rs. in Lakhs)		
<b>Particulars</b>	<b>As at March 31, 2023</b>	<b>As at March 31, 2022</b>
<b>Interest Expense</b>		
On Borrowings	724.17	445.71
On Others	35.22	4.58

<b>Other Borrowing Costs</b>		
Bank Charges	104.16	89.55
Finance Cost for Gratuity valuation	8.01	0.00
Processing Fees (Amortised over tenure of Loan)	0.00	0.05
Processing Charges	47.30	47.91
Buyers Credit, Bank Guarantee Charges And Finance Charge	21.35	19.38
<b>Total</b>	<b>940.21</b>	<b>607.18</b>

<b>Note 28: Other Expenses</b>		(Rs. in Lakhs)	
<b>Particular</b>	<b>As at March 31, 2023</b>	<b>As at March 31, 2022</b>	
Administrative and General Expenses			
Annual Maintenance Charges	5.50	3.71	
Auditors Remuneration	7.05	12.41	
Books & Periodicals	0.04	0.05	
Legal & Professional Charges	312.28	251.47	
Courier Charges	0.88	1.89	
Clearing Charges-Export	621.96	548.62	
Demat Charges (Company)	6.53	10.63	
Directors Remuneration	133.72	115.86	
Donations	0.22	36.36	
Electricity Expenses	15.94	11.57	
Insurance Expenses	48.13	31.55	
Internet Charges	4.57	2.40	
Labour Charges	4.48	5.14	
Office Expenses	37.53	59.88	
Postage & Telegram Expenses	0.03	0.10	
Printing Stationery	10.44	8.62	
Rent Rates & Taxes	290.75	251.41	
Repairs Maintenance Expenses	9.28	7.13	
Service Expenses	247.85	505.36	
Subscriptions & Membership	17.97	11.16	
Telephone Expenses	11.25	9.97	
Lodging and Boarding (Hotel, Meal and Entertainment)	42.66	18.39	
Travelling Expenses (Domestic & Foreign)	202.32	107.12	
Warehouse Handling Charges	30.98	7.44	
Advertising Promotional Expenses	577.99	656.67	
Commission Paid	478.99	501.04	
CSR Expenditure	33.50	24.00	
Director Sitting Fee	3.14	4.10	
Inspection Charges	22.01	17.40	
Service Charges	794.40	722.79	
Carriage Outward	0.00	280.02	
Reimbursement of Expenses	169.61	0.00	



Testing Charges	10.74	0.00
Storage Charges	90.99	0.00
Shop & Establishment Expenses	0.73	0.00
Royalty Expense	419.33	338.40
Court Fee	0.00	0.45
Duties and Taxes	27.16	28.66
Provision for Bad Debts	13.03	9.70
Charges on Late Payment	0.00	0.62
Provision for Late Payment charges	10.51	13.04
Exchange Gain	0.00	83.77
Property Tax	17.66	21.13
Certification Expenses	10.50	0.00
<b>Total</b>	<b>4,742.65</b>	<b>4,720.03</b>

### Note No. 29 - Earnings per share (EPS)

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the parent by the weighted average number of Equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the parent (after adjusting profit impact of dilutive potential equity shares, if any) by the aggregate of weighted average number of Equity shares outstanding during the year and the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity shares.

Particulars	March 31, 2023	March 31, 2022
<b>i. Profit attributable to equity holders (Rs in lakhs)</b>		
Profit attributable to equity holders of the parent for basic and diluted EPS	2,459.39	1,598.56
	<b>2,459.39</b>	<b>1,598.56</b>
<b>ii. Weighted average number of ordinary shares</b>		
Weighted average number of shares for Basic EPS	1,26,00,000	1,20,00,000
Weighted average number of shares for Diluted EPS	1,26,00,000	1,24,07,187
<b>iii. Basic and diluted earnings per share (Rs)</b>		
Basic earnings per share of face value of Rs. 10 each	<b>19.53</b>	<b>13.32</b>
Diluted earnings per share of face value of Rs. 10 each	<b>19.53</b>	<b>12.88</b>

### Note 30: Financial Risk Management

The Company's business activities are exposed to financial risks, namely Credit risk, Liquidity risk. The Company's Senior Management has the overall responsibility for establishing and governing the Company's risk management framework. The Company has constituted a Risk Management Committee, which is responsible for developing and monitoring the Company's risk management policies. The committee reports regularly to the Board of Directors on its activities.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The audit committee oversees how Management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company.

The audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and adhoc reviews of risk management controls and procedures, the results of which are reported the audit committee

### i. Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and investment securities. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. The Company establishes, if require an allowance for doubtful debts and impairment that represents its estimate of incurred losses in respect of trade and other receivables and investments.

During the year the Company has made provision of Rs. 13.03 Lakhs (Rs. 9.70 Lakhs in previous years) against Trade receivables having closing balance at the year end aggregately of Rs. 26.05 Lakhs (Previous year balance was Rs. 19.40 Lakhs). Details of the same are as under:

#### Reconciliation of Trade Receivable loss allowance provision: (Rs. in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Opening Balance	9.70	-
Additional Provision made	13.03	9.70
Provision adjusted against amount written off	-	-
Closing Provision	22.73	9.70

The provision for loss allowances of trade receivables have been made by the management on the evaluation of trade receivables. The management at each reporting period made an assessment on recoverability of balances and on the best estimate basis the provision for loss allowances have been created.

### ii. Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Management monitors rolling forecasts of the Company's liquidity position on the basis of expected cash flows. This monitoring includes financial ratios and takes into account the accessibility of cash and cash equivalents

#### The following is the contractual maturities of the financial liabilities: (Rs. in Lakhs)

Particulars	Carrying amount	1-12 months	more than 12 months
As at March 31, 2023			
Borrowings	8893.21	7980.11	913.10
Trade payables	4688.40	4663.47	24.93
Other financial liabilities	1375.00	1362.01	12.99
As at March 31, 2022			
Borrowings	6434.62	5397.28	1037.34
Trade payables	6386.56	6209.42	177.14
Other financial liabilities	2664.01	2555.01	109.00

## Note 31: Capital Management

For the purpose of the Company's capital management, capital includes issued capital and other equity reserves. The primary objective of the Company's Capital Management is to maximise shareholders value. The Company manages its capital structure and makes adjustments in the light of changes in economic environment and the requirements of the financial covenants.

The Company monitors capital using Adjusted net debt to equity ratio. For this purpose, adjusted net debt is defined as total debt less cash and bank balances

(Rs. in Lakhs)		
Particular	As at 31st March 2023	As at 31st March 2022
Non- Current borrowing	913.10	1,037.34
Current borrowings	7,980.11	5,397.28
Current maturity of long term debt	-	-
<b>Gross debt</b>	<b>8,893.21</b>	<b>6,434.62</b>
Less : Cash and cash equivalents	258.68	285.72
Less : Other bank balances	660.33	538.11
<b>Adjusted net debt</b>	<b>7,974.20</b>	<b>5,610.79</b>
Total Equity	11,739.51	8,226.63
<b>Adjusted Net debt to Equity ratio</b>	<b>0.68</b>	<b>0.68</b>

(Rs. in Lakhs)			
<b>Note 32 : Contingencies and Commitments</b>			
Particulars	Financial Year	As at March 31, 2023	As at March 31, 2022
Income Tax demand raised by A.O.	2007-08	5.26	10.79
Income Tax - Interest demand raised by A.O.	2008-09	0.69	0.69
Income Tax - Penalty demand raised by A.O.	2008-09	3.96	3.96
Income Tax Demand raised by CPC	2017-18	3.59	3.59
Income Tax - Tax and Interest demand raised by CPC - i	2019-20	25.78	562.96
GST ASSESSMENT (Directorate General of GST Intelligence -DGGI) - ii		128.45	0.00
GST AUDIT - iii	2017-2021	14.04	0.00
Bank Guarantee		1,056.81	922.05
Custom Duty (Showcause Notice) -iv		186.19	186.19
Custom Duty (Showcause Notice)		230.34	230.34
Custom Duty (Showcause Notice for Penalty) - v		481.38	481.38
Outstanding tax demand with respect to VAT/ CST FY 2013-17 (Andhra Pradesh and Gujarat)		78.67	94.46

- i. Demand for F.Y 2019-20 was raised by the CPC via Intimation Order dated 20th December 2021. Demand was raised by CPC due to clerical error, after required follow up with Income Tax department the wrongful demand raised by the Income Tax department was deleted in the current year however interest amount on the wrongful demand has emerged on the income tax portal which is again incorrect. The company is following up with the Income Tax department to resolve the same and in the company opinion the interest demand shall not be materialised.
- ii. DGGI GST order : On 05th April,2023, Directorate General of GST Intelligence , Gurugram zonal unit passed an order under section 83 of CGST act, asking that the company to pay a GST amount of Rs. 1,28,44,959 for wrongful availment of Input tax credit. Our Counsel are of the opinion that this order is unjustified and the company has moved against this order in High court of Punjab and Haryana. We believe that the position of the company will be upheld in the High court. Hence in view of contingent nature of demand , company has classified the same under contingent liability.
- iii. GST Audit Order: GST audit team of Delhi circle 6 Group 2, have passed an order against the company stating that the company has charged wrong rate of SGST and CGST in case of certain products. Company and its counsel are of the opinion that our position is correct. Hence company has preferred an appeal against this order. In view of contingent nature of demand, company has classified the same under contingent liability.
- iv. The Company has received a demand of Customs Duty via Show Cause Notice dated 13th March, 2018 amounting to Rs.1,86,19,246/- (without interest and penalty) from the Office of the Principal Commissioner of Customs, Mumbai, alleging that the import of Cameras was classified under wrong CTH (Customs Tariff Head) and Company has wrongly availed the duty exemption. The Company is not accepting the demand raised by the customs department and is contesting it. The company as well as its legal advisor are of the view that the classification adopted and exemption claimed were correct and in order. However it is believed that this position will likely be upheld in the appellate process. Hence, in view of the contingent nature of demand, the Company has classified the same under contingent liability.
- v. The Company has received Order-in-Original C.A.O. No. CC-VA/24/2018-19 Adj. (I) ACC dated 28.02.2019 confirming the demand of Customs Duty amounting to Rs. 2,30,33,813/-. The Order also imposes penalty Rs. 4,61,38,438/- and penalty of 20,00,000/-. The Order states that Cameras imported by the Company was classified under wrong CTH (Customs Tariff Head) and Company has wrongly availed the duty exemption. The Company is not accepting the demand confirmed by the customs department and is contesting it. The Company has already filed an appeal against the same before the Customs, Excise, & Service Tax Appellate Tribunal, Mumbai. The Company as well as its legal advisor are of the view that the classification adopted and exemption claimed by the Company were correct and in order. It is believed that this position will likely be upheld in the appellate process. Hence, in view of the contingent nature of demand, the Company has classified the same under contingent liability. On 11th April,2023 the Honourable CESTAT has passed an order in favour of the company and has dismissed an earlier order , show cause notice and penalty amounting to Rs. 4,61,38,428/- and Rs. 20,00,000 respectively. Company is in the process of getting refund of amounting to Rs. 1,38,00,000 which was paid as deposit against the above show cause notice.

### Note 33: Related Party Information

Disclosure of transactions with Related Parties, as required by Ind AS 24 "Related Party Disclosures" has been set out below. Related parties as defined under clause 9 of the Ind AS 24 have been identified on the basis of representations made by the management and information available with the Company.

#### A. Names of the Related parties

##### Companies exercising significant influence:

Bittech Services

Click Retail Private Limited

Secure Connection Private Limited

Shilpa Global Pvt.Ltd.

Compunics Technologies Llc

Rinavaa Technologies Pvt. Ltd.

##### Subsidiary

Creative Peripherals and Distribution Ltd (Hong Kong)

Secure Connection Pvt Ltd.  
(Hong Kong)

**Key management personnel  
and their relatives**

Ketan Chhaganlal Patel

Vijay Advani

Purvi Ketan Patel

Kurian Chandy

Suresh Bhagavatula

Mihir Shah

Abhijit Kanvinde

Tejas Doshi

**Other Related parties**

Ketan Patel HUF

Nidhi Patel

(Rs. in Lakhs)

Particulars	Nature of Transaction	As at 31 March, 2023	As at 31 March, 2022
Ketan Chhaganlal Patel	Director's Remuneration (including Bonus)	59.33	52.05
Vijay Advani	Director's Remuneration (including Bonus)	41.57	40.47
Purvi Ketan Patel	Director's Remuneration (including Bonus)	33.04	27.55
Abhijit Kanvinde	KMP's Remuneration (including Bonus)	32.81	28.70
Tejas Doshi	KMP's Remuneration (including Bonus)	21.73	14.78
Ketan Chhaganlal Patel	Dividend	39.70	39.70
Vijay Advani	Dividend	0.00	0.00
Purvi Ketan Patel	Dividend	0.30	0.30
Ketan Chhaganlal Patel	Other Employee Benefits to Director	1.21	1.09
Vijay Advani	Other Employee Benefits to Director	0.91	0.83
Purvi Ketan Patel	Other Employee Benefits to Director	0.77	1.64
Abhijit Kanvinde	Other Employee Benefits to KMP	1.49	1.42
Tejas Doshi	Other Employee Benefits to KMP	1.26	1.18
Nidhi Patel	Salary	15.94	14.01
Ketan Chhaganlal Patel	Interest Paid	47.27	29.49
Vijay Advani	Interest Paid	1.44	1.44
Ketan Chhaganlal Patel	Loan Received	1,025.44	1,209.40
Ketan Chhaganlal Patel	Repayment of loan	1,179.40	1,181.49

Bittech Services	Purchases	8.02	24.82
Secure Connection Private Limited	Purchases	170.15	297.86
Secure Connection Limited (Hong Kong)	Purchases	1,639.10	4,251.81
Rinavaa Technologies Pvt. Ltd.	Purchases	-	0.25
Click Retail Private Limited	Purchases	-	9.33
Bittech Services	Sales	6.17	13.08
Secure Connection Private Limited	Sales	48.35	30.76
Compunics Technologies Llc	Sales	-	80.32
Secure Connection Limited (Hong Kong)	Sales	7.98	50.44
Click Retail Private Limited	Sales	166.89	128.21
<b>Balance at the end of the year</b>		<b>As at 31 March, 2023</b>	<b>As at 31 March, 2022</b>
<b>Entities over which Key Managerial Persons have significant influence / control:</b>			
Bittech Services			(1.12)
Secure Connection Private Limited		396.91	465.58
Click Retail Private Limited		105.78	79.89
Secure Connection Limited (Hong Kong)		(9.76)	(1,030.52)
<b>Unsecured Loans</b>			
Ketan Chhaganlal Patel		73.20	(184.62)
Vijay Advani		12.32	12.32
<b>Note 34: Foreign Currency Transactions</b>			<b>(Rs. in Lakhs)</b>
<b>Particulars</b>	<b>Nature of Transaction</b>	<b>31st March, 2023</b>	<b>31st March, 2022</b>
Value of Exports (FOB)	Earnings	89,465.84	46350.03
Value of Imports	Expenses	20,550.44	27371.91
Foreign Travelling Expenses	Expenses	52.69	1.83

### Note 35: Dividend

During the year the holding company has paid dividend for the year ended 31st March, 2022 of Rs. 0.50 per equity share as final dividend which was approved in annual general meeting on 29th September, 2022.

### Note 36: Segment Information

As per Ind AS 108, "Operating Segments", in case a financial report contains both Standalone Financial Statements and Consolidated Financial Statements of the Company, segment information is required to be presented only on the basis of Consolidated Financial Statements of the Company. Hence, the required segment information has been disclosed in the Consolidated Financial Statements.

**The Company has identified following reporting segments based on the information:**

1	Enterprise Business - EB
2	Fast Moving Social - Media Gadgets - FMSG
3	Fast Moving Electronics Goods - FMEG
4	Fast Moving Consumer Technology - FMCT

<b>The above business segments have been identified considering:</b>			
1	the nature of products and services		
2	the differing risks and returns		
3	the internal organisation and management structure, and		
4	the internal financial reporting systems		
<b>Consolidated Segment Revenue are as follows:</b>			<b>(Rs. in Lakhs)</b>
	<b>Particulars</b>	<b>31st March, 2023</b>	<b>31st March, 2022</b>
<b>Segment Revenue</b>			
	- EB	92,159.98	54,216.16
	- FMSG	19,720.15	18,687.68
	- FMEG	1,070.85	1,069.39
	- FMCT	24,671.25	19,414.87
	<b>Revenue from Operations</b>	<b>1,37,622.23</b>	<b>93,388.10</b>
<b>Segment Results</b>			
<b>Net Revenue from each segment after deducting allocable cost</b>			
	- EB	2,496.34	1,924.52
	- FMSG	4,084.16	4,654.40
	- FMEG	111.90	60.40
	- FMCT	1,328.93	1,096.77
	<b>Total</b>	<b>8,021.33</b>	<b>7,736.09</b>
	Less: Finance Cost	940.21	607.18
	Less: Unallocable cost	3,666.41	4,623.13
	<b>Total Profit before Tax</b>	<b>3,414.71</b>	<b>2,505.78</b>
<b>Consolidated Segment Assets and Liabilities are as follows:</b>			<b>(Rs. in Lakhs)</b>
	<b>Particulars</b>	<b>31st March, 2023</b>	<b>31st March, 2022</b>
<b>Total Assets</b>			
	- EB	1,342.95	2,773.43
	- FMSG	8,608.06	8,566.09
	- FMEG	185.18	365.19
	- FMCT	6,244.33	5,839.49
	<b>Total</b>	<b>16,380.52</b>	<b>17,544.20</b>
<b>Total Liability</b>			
	- EB	742.59	1,082.24
	- FMSG	1,091.71	1,947.57
	- FMEG	(27.02)	125.62
	- FMCT	1,663.61	1,721.62
	<b>Total</b>	<b>3,470.89</b>	<b>4,877.05</b>
Note: During the year the consolidated reportable segments are identified and hence the information of Revenue, assets and liabilities are provided only for current year.			

**Note 37:**

In previous Financial year 2021-22, 2 parties were inadvertently shown as Creditors for expenses instead of Trade payable (Creditors for Goods) in the Balance sheet of previous year amounting to Rs. 8.72 Crores. During the year these errors were identified and the same is rectified in these restated financial statements of previous years. The said error corresponds to financial year 2021-22 only and not preceding financial years of 2021-22. There is no impact or change in the Statement of Profit and Loss Account of the previous year or current year and thus no change in earnings per share of previous year.

**For more detail kindly refer to the reconciliation statement as mentioned below:**

**37.1 Impact of error identified during the year on Trade Payables:**

<b>F.Y. 2021-22</b>	
Balance as 31st March, 2022	5514.43
Changes due to error in Financial year 2021-22**	872.13
<b>Restated balance as at 31st March, 2022</b>	<b>6386.56</b>
<b>Bifurcation of Trade Payable as on 31st March, 2022</b>	
Dues towards micro enterprises and small enterprises	972.55
Dues towards Creditors other than micro enterprises and small enterprises	5414.01
	<b>6386.56</b>

\*\* Trade Payables of Rs. 872.13 added in Trade Payables for F.Y. 2021-22 since the same was inadvertently shown as Creditors for Expenses under the head "Other Financial Liabilities" in previous year, now being rectified.

**F.Y. 2022-23**

Balance as 31st March, 2023	4688.40
Changes due to error in Financial year 2022-23	0
Restated balance as at 31st March, 2023	<b>4688.40</b>
<b>Bifurcation of Trade Payable as on 31st March, 2023</b>	
Dues towards micro enterprises and small enterprises	113.68
Dues towards Creditors other than micro enterprises and small enterprises	4574.72
	<b>4688.40</b>

**37.2 Impact of error identified during the year on Creditors for Expenses under the head Other Financial Liabilities:**

<b>Particulars</b>	<b>Amt</b>
Balance as at 1st April, 2021	428.10
Changes due to prior period errors	0.00
Restated balance as at 1st April, 2021	<b>428.10</b>
<b>F.Y. 2021-22</b>	
Balance as 31st March, 2022	1330.42
Changes due to error in Financial year 2021-22**	(872.13)
Restated balance as at 31st March, 2022	<b>458.29</b>
** Trade Payables of Rs. 872.13 reduced from Creditors for Expenses in F.Y. 2021-22 since the same was inadvertently shown as Creditors for Expenses under the head "Other Financial Liabilities" in previous year, now being rectified.	
<b>F.Y. 2022-23</b>	
Balance as 31st March, 2023	254.52
Changes due to error in Financial year 2022-23	0.00
Restated balance as at 31st March, 2023	<b>254.52</b>



### Note 38:

In the previous financial year 2021-22 in June 2021, a fire broke out in the Bangalore warehouse where a part of stock in trade was damaged which was insured with the Insurance company. The incident was duly informed to the concerned regulatory authorities in due time. We have received the insurance claim of Rs. 1.49 Crores against the loss or damage of goods due to fire and we have recognised the actual loss of Rs. 12.57 lakhs in the financials under the head exceptional item in the Statement of Profit and Loss Account.

### Note 39: Other Disclosures

- a. The Holding Company and Subsidiaries do not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- b. "Transaction with struck off companies:  
The Holding Company and Subsidiaries does not have any transactions with companies struck- off under Section 248 of the Companies Act, 2013."
- c. The Holding Company and Subsidiaries do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- d. The Holding Company and Subsidiaries have not traded or invested in Crypto currency or Virtual Currency during the financial year.
- e. "The Holding Company and Subsidiaries have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:  
(i) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or;  
(ii) Provide any guarantee, security or the like to or on behalf of the Ultimate beneficiaries."
- f. "The Holding Company and Subsidiaries have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:  
(i) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or;  
(ii) Provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries."
- g. The Holding Company and Subsidiaries do not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- h. The Holding Company and Subsidiaries has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.
- i. The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified. The Holding Company and Subsidiaries will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.
- j. The Holding Company or any Subsidiary is not declared as wilful defaulter by any bank or financial institution or lender during the year.
- k. There are no significant subsequent events that would require adjustments or disclosures in the financial statements as on the balance sheet date.

### Note 40:

Figures for the previous years have been regrouped / restated wherever necessary to conform to current year's presentation

As per our attached report of even date

For Gupta Raj and Co.  
Chartered Accountants  
Firm reg No : 001687N

CA Nikul Jalan (Partner)  
Membership No. 112353  
Mumbai, Dated: 27th May, 2022

For and on Behalf of the Board of Directors  
of Creative Newtech Limited

Ketan C Patel  
Chairman and Managing  
Director  
DIN: 00127633

Vijay Advani  
Whole - Time Director  
DIN: 02009626

Abhijit Kanvinde  
Chief Financial Officer

Tejas Doshi  
Chief Compliance  
Officer and Company  
Secretary

## Instructions on attending e-AGM and e-Voting

### GENERAL

1. An Explanatory Statement pursuant to Section 102 of the Act, in respect of Item nos. 1 to 7 of the Notice set out above, is annexed hereto. The Board of Directors have considered and decided to include Item nos. 4 to 7 as Special Business.
2. In accordance with the Secretarial Standard - 2 on General Meetings issued by the ICSI read with Clarification / Guidance on applicability of Secretarial Standards - 1 and 2 dated April 15, 2020 issued by the ICSI, the proceedings of the AGM shall be deemed to be conducted at the Registered Office of the Company i.e. 4<sup>th</sup> Floor, Plot No 137AB, Kandivali Co Op Industrial Estate Limited, Charkop, Kandivali West, Mumbai - 400 067 which shall be the venue of the AGM. Since the AGM will be held through VC / OAVM, the Route Map is not annexed in this Notice.
3. Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
4. Pursuant to the provisions of the Act, a member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a member of the Company. Since this AGM is being held pursuant to the MCA Circulars through VC / OAVM, physical attendance of members has been dispensed with. Accordingly, the facility for appointment of proxies by the members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.

### DISPATCH OF NOTICE:

5. In compliance with the aforesaid MCA and SEBI Circulars, the Notice of the AGM is being sent through e-mail to those members whose e-mail addresses are registered with the Company/ Depositories. Members may note that the Notice will also be available on the on the Company's website at [www.creativenewtech.com](http://www.creativenewtech.com) , websites of the Stock Exchanges i.e. National Stock Exchange of India Limited at [www.nseindia.com](http://www.nseindia.com) respectively.
6. Members who have still not registered their e-mail IDs are requested to do so at the earliest. Members holding shares in electronic mode can get their e-mail IDs registered by contacting their respective Stock Broker/Depository Participant. Members holding shares in physical mode are requested to register their e-mail IDs with the Company or the RTA (M/s Bigshare Services Private Limited), for receiving the Notice of AGM and Annual Report. Requests can be e-mailed [cs@creativenewtech.com](mailto:cs@creativenewtech.com) or [investor@bigshareonline.com](mailto:investor@bigshareonline.com). We urge members to support this Green Initiative effort of the Company and get their e-mail IDs registered.

### CUT OFF DATE

7. A person whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on Monday, 18<sup>th</sup> September 2023 ("the cut-off date") only shall be entitled to vote through Remote E-voting and at the AGM. The voting rights of Members shall be in proportion to their share of the paid-up equity share capital of the Company as on the Cut Off date.

### DECLARATION OF VOTING RESULT:

8. The Board of Directors has appointed M/s. Satyajit Mishra & Co., Practicing Company Secretaries, as a Scrutinizer to scrutinize the remote e-voting process and e-voting at the AGM in a fair and transparent manner.

9. The Scrutinizer shall, immediately after the conclusion of voting at the AGM, first count the votes cast during the AGM, thereafter unblock the votes cast through remote e-voting and make, not later than 48 hours of conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing, who shall countersign the same.
10. The result declared along with the Scrutinizer's Report shall be placed on the Company's website at [www.creativenewtech.com](http://www.creativenewtech.com). The Company shall simultaneously forward the results to National Stock Exchange of India Limited, where the shares of the Company are listed.

#### **OTHER USEFUL INFORMATION:**

11. Members are requested to read the 'Shareholder Information' section of the Notice for useful information.
12. SEBI has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are requested to submit their PAN to their DPs, and those holding shares in physical form are requested to submit their PAN to the Company's Registrar and Transfer Agent.
13. Members who hold shares in the dematerialised form and desire a change/correction in the bank account details, should intimate the same to their concerned DPs and not to the Company's RTA. Members are also requested to give the MICR Code of their banks to their DPs. The Company/ Company's RTA will not entertain any direct request from such members for change of address, transposition of names, deletion of name of deceased joint holder and change in the bank account details. The said details will be considered as will be furnished by the DPs to the Company.

#### **THE INSTRUCTIONS FOR SHAREHOLDERS FOR REMOTE E-VOTING**

- a. The voting period begins Friday, September 22, 2023, 09:00 AM and ends on Sunday, September 24, 2023, 05:00 PM. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of Monday, September 18, 2023, may cast their vote electronically. The e-voting module shall be disabled by Bigshare for voting thereafter.
- b. 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 to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

- c. 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.

1. Pursuant to above said SEBI Circular, Login method for e-Voting and joining virtual meetings for Individual shareholders holding securities in Demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL	<ol style="list-style-type: none"> <li>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 <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or visit <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on Login icon and select New System Myeasi.</li> <li>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 BIGSHARE the e-Voting service provider and you will be re-directed to i-Vote website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. BIGSHARE, so that the user can visit the e-Voting service providers' website directly.</li> <li>3) If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></li> <li>4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a link <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; 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. Click on BIGSHARE and you will be re-directed to i-Vote website for casting your vote during the remote e-voting period.</li> </ol>
Individual Shareholders holding securities in demat mode with NSDL	<ol style="list-style-type: none"> <li>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: <a href="https://eservices.nsd.com">https://eservices.nsd.com</a> 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 BIGSHARE and you will be re-directed to i-Vote website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>2) If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsd.com">https://eservices.nsd.com</a>. Select "Register Online for IDeAS" Portal or click at <a href="https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsd.com/">https://www.evoting.nsd.com/</a> 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 BIGSHARE and you will be redirected to i-Vote website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting</li> </ol>

Individual Shareholders (holding securities in DEMAT mode) login through their Depository Participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. 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 or joining virtual meeting & voting during the meeting.
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**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 <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 022- 23058738 and 22-23058542-43.
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 <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30

**2. Login method for e-Voting for shareholder other than individual shareholders holding shares in Demat mode & physical mode is given below:**

- You are requested to launch the URL on internet browser: <https://ivote.bigshareonline.com>
- Click on "LOGIN" button under the 'INVESTOR LOGIN' section to Login on E-Voting Platform.
- Please enter you 'USER ID' (User id description is given below) and 'PASSWORD' which is shared separately on you register email id.
  - Shareholders holding shares in CDSL demat account should enter 16 Digit Beneficiary ID as user id.
  - Shareholders holding shares in NSDL demat account should enter 8 Character DP ID followed by 8 Digit Client ID as user id.
  - Shareholders holding shares in physical form should enter Event No + Folio Number registered with the Company as user id.
  - **Note** If you have not received any user id or password please email from your registered email id or contact i-vote helpdesk team. (Email id and contact number are mentioned in helpdesk section).
- Click on I AM NOT A ROBOT (CAPTCHA) option and login.
- **NOTE:** If Shareholders are holding shares in demat form and have registered on to e-Voting system of <https://ivote.bigshareonline.com> and/or voted on an earlier event of any company then they can use their existing user id and password to login.
- If you have forgotten the password: Click on 'LOGIN' under 'INVESTOR LOGIN' tab and then Click on 'Forgot your password?'
- Enter "User ID" and "Registered email ID" Click on I AM NOT A ROBOT (CAPTCHA) option and click on 'Reset'.
- (In case a shareholder is having valid email address, Password will be sent to his / her registered e-mail address).

**Voting method for shareholders on i-Vote E-voting portal:**

- After successful login, Bigshare E-voting system page will appear.

- Click on "VIEW EVENT DETAILS (CURRENT)" under 'EVENTS' option on investor portal.
- Select event for which you are desire to vote under the dropdown option.
- Click on "VOTE NOW" option which is appearing on the right hand side top corner of the page.
- Cast your vote by selecting an appropriate option "IN FAVOUR", "NOT IN FAVOUR" or "ABSTAIN" and click on "SUBMIT VOTE". A confirmation box will be displayed. Click "OK" to confirm, else "CANCEL" to modify. Once you confirm, you will not be allowed to modify your vote.
- Once you confirm the vote you will receive confirmation message on display screen and also you will receive an email on your registered email id. During the voting period, members can login any number of times till they have voted on the resolution(s). Once vote on a resolution is casted, it cannot be changed subsequently.
- Shareholder can "CHANGE PASSWORD" or "VIEW/UPDATE PROFILE" under "PROFILE" option on investor portal.

### **3. Custodian registration process for i-Vote E-Voting Website:**

- You are requested to launch the URL on internet browser: <https://ivote.bigshareonline.com>
- Click on "REGISTER" under "CUSTODIAN LOGIN", to register yourself on Bigshare i-Vote e-Voting Platform.
- Enter all required details and submit.
- After Successful registration, message will be displayed with "User id and password will be sent via email on your registered email id".
- **NOTE:** If Custodian have registered on to e-Voting system of <https://ivote.bigshareonline.com> and/ or voted on an earlier event of any company then they can use their existing user id and password to login.
- If you have forgotten the password: Click on 'LOGIN' under 'CUSTODIAN LOGIN' tab and further Click on 'Forgot your password?'
- Enter "User ID" and "Registered email ID" Click on I AM NOT A ROBOT (CAPTCHA) option and click on 'RESET.
- (In case a custodian is having valid email address, Password will be sent to his / her registered e-mail address).

### **Voting method for Custodian on i-Vote E-voting portal:**

- After successful login, Bigshare E-voting system page will appear.

### **Investor Mapping:**

- First you need to map the investor with your user ID under "DOCUMENTS" option on custodian portal.
  - Click on "DOCUMENT TYPE" dropdown option and select document type power of attorney (POA).
  - Click on upload document "CHOOSE FILE" and upload power of attorney (POA) or board resolution for respective investor and click on "UPLOAD".
- **Note:** The power of attorney (POA) or board resolution has to be named as the "InvestorID.pdf" (Mention Demat account number as Investor ID.)
- Your investor is now mapped and you can check the file status on display.

### **Investor vote File Upload:**

- To cast your vote, select "VOTE FILE UPLOAD" option from left hand side menu on custodian portal.
- Select the Event under dropdown option.
- Download sample voting file and enter relevant details as required and upload the same file under upload document option by clicking on "UPLOAD". Confirmation message will be displayed on the screen and also you can check the file status on display (Once vote on a resolution is casted, it cannot be changed subsequently).
- Custodian can "CHANGE PASSWORD" or "VIEW/UPDATE PROFILE" under "PROFILE" option on

custodian portal.

### **Helpdesk for queries regarding e-voting:**

<b>Login type</b>	<b>Helpdesk details</b>
Shareholder's other than individual shareholders holding shares in Demat mode & Physical mode.	In case shareholders/ investor have any queries regarding E-voting, you may refer the Frequently Asked Questions ('FAQs') and i-Vote e-Voting module available at <a href="https://ivote.bigshareonline.com">https://ivote.bigshareonline.com</a> , under download section or you can email us to <a href="mailto:ivote@bigshareonline.com">ivote@bigshareonline.com</a> or call us at: 1800 22 54 22.

### **Procedure for joining the AGM through VC/ OAVM:**

**For shareholder other than individual shareholders holding shares in Demat mode & physical mode is given below:**

- The Members may attend the AGM through VC/ OAVM at <https://ivote.bigshareonline.com> under Investor login by using the e-voting credentials (i.e., User ID and Password).
- After successful login, Bigshare E-voting system page will appear.
- Click on "VIEW EVENT DETAILS (CURRENT)" under 'EVENTS' option on investor portal.
- Select event for which you are desire to attend the AGM under the dropdown option.
- For joining virtual meeting, you need to click on "VC/OAVM" link placed beside of "VIDEO CONFERENCE LINK" option.
- Members attending the AGM through VC/ OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.

**The instructions for Members for e-voting on the day of the AGM are as under:-**

- The Members can join the AGM in the VC/ OAVM mode 15 minutes before the scheduled time of the commencement of the meeting. The procedure for e-voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
- Only those members/shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
- Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

### **Helpdesk for queries regarding virtual meeting:**

In case shareholders/ investor have any queries regarding virtual meeting, you may refer the Frequently Asked Questions ('FAQs') available at <https://ivote.bigshareonline.com>, under download section or you can email us to [ivote@bigshareonline.com](mailto:ivote@bigshareonline.com) or call us at: 1800 22 54 22.

## Key Events

Sr. No.	Particulars	Date / Particulars
1	Cut-off date / BenPos date to send Notice and Annual Report to Shareholders	Friday, 25 <sup>th</sup> August, 2023
2	Proposed Final Dividend for AGM	Re. 0.50/- Per Share (5% on face value)
3	Cut-off date for e-Voting eligibility	Monday, 18 <sup>th</sup> September, 2023
4	Book Closure Date (Beginning) for Dividend & AGM	Monday, 18 <sup>th</sup> September, 2023
5	e-Voting Starts from	09:00 AM, Friday, 22 <sup>nd</sup> September, 2023
6	e-Voting ends at	05:00 PM, Sunday, 24 <sup>th</sup> September, 2023
7	Annual General Meeting Date & Time	11:00 AM, Monday, 25 <sup>th</sup> September, 2023
8	Annual General Meeting Venue	Online through Video Conferencing ('VC') / Other Audio-Visual Means ('OAVM'),
9	Book Closure Date (End) for Dividend & AGM	Monday, 25 <sup>th</sup> September, 2023
10	Contact details for any support / grievance	Mr. Tejas Doshi Chief Compliance Officer and Company Secretary Email: cs@creativenewtech.com Contact No.: +91 22 5061 2700







# CREATIVE NEWTECH

**Creative Newtech Limited**

**Registered Office:** 3rd & 4th Floor, Plot No. 137AB,

Kandivali Co-Op Industrial Estate Limited, Charkop, Kandivali West, Mumbai - 400 067.

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ISO 9001:2015 Certified Company

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