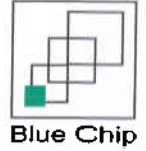




TEX INDUSTRIES LTD.



Corporate Office : 15,16 & 17, Maker Chambers-III, 1st Floor, Jamnalal Bajaj Road, Nariman Point, Mumbai 400 021
Tel.: 91 22 4353 0400 • E-mail : bluechiptex@gmail.com • Website : bluechiptexindustrieslimited.com
CIN : L17100DN1985PLC005561

Date: 30th August, 2024

To,
Dept. of Corporate Services (CRD)
BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai – 400 001

Scrip Code: 506981

Sub: Submission of Notice convening 39th Annual General Meeting and Annual Report of Blue Chip Tex Industries Limited for the Financial Year 2023-24.

Dear Sir / Madam,

With reference to the captioned subject and in continuation to our letter dated 07th August, 2024, informing the date of the 39th Annual General Meeting, we are enclosing herewith the Notice convening 39th Annual General Meeting and Annual Report of the Company for the Financial Year 2023-24 as required under Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

The aforesaid documents are also made available on the website of the Company at www.bluechiptexindustrieslimited.com.

Kindly take the above on your record and disseminate the same for the information of investors.

Thanking you,

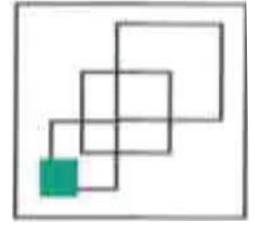
Yours faithfully,
For Blue Chip Tex Industries Limited

Meena Jain

Meena Jain
Company Secretary & Compliance Officer
Membership No.: ACS 64159



Encl: As above



BLUE CHIP TEX INDUSTRIES LIMITED

**39TH ANNUAL REPORT
2023-2024**

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CORPORATE INFORMATION

BOARD OF DIRECTORS & KEY MANAGERIAL PERSONNEL

- 1. Mr. Shahin N. Khemani**
Managing Director
DIN: 03296813
- 2. Mr. Rahul A. Khemani**
Chief Financial Officer & Director
DIN: 03290468
- 3. Ms. Tanya Singh**
Independent Director
(w.e.f 21st October 2022)
DIN: 09731390
- 4. Mr. Rohit P. Bajaj**
Independent Director
DIN: 08646838
- 5. Mr. Abhishek S. Kamdar**
Independent Director
DIN: 06422005
- 6. Mr. Siddharth A. Khemani**
Non-Executive, Non-Independent Director
DIN: 08842398
- 7. Mrs. Meena Jain**
Company Secretary & Compliance Officer
Membership No.: ACS 64159
(W.e.f 21ST December 2023)

STATUTORY AUDITOR

D. K. P. & Associates

SECRETARIAL AUDITOR

Pramod S. Shah & Associates

COST AUDITOR

NKJ & Associates

INTERNAL AUDITOR

Raju Gupta & Associates

BANKER

Axis Bank Limited

CORPORATE IDENTITY NUMBER

L17100DN1985PLC005561

REGISTERED OFFICE

Plot no. 63-B, Danudyog Sahakari Sangh Limited,
Village Piparia, Silvassa,
U.T. of Dadra & Nagar Haveli- 396 230.
Tel: +91 0260-2991068

FACTORY

- Plot no. 63-B, Danudyog Sahakari Sangh Limited,
Village Piparia, Silvassa,
U.T. of Dadra & Nagar Haveli- 396 230.
- Plot No. 45-B, Govt. Industrial Estate, Masat,
Silvassa, U.T. of Dadra & Nagar Haveli- 396 230.

CORPORATE OFFICE

Office No. 15/16/17, 1st floor,
Maker Chambers - III, Jamnalal Bajaj Road,
Nariman Point, Mumbai - 400 021.
Tel: + 91 022- 4353 0400

REGISTRAR & SHARE TRANSFER AGENT

Bigshare Services Private Limited
Office no. S6-2, 6th floor, Pinnacle Business Park,
Next to Ahura Centre, Mahakali Caves Road,
Andheri-East, Mumbai – 400 093.
Tel: + 91 22 6263 8200
Fax: + 91 22 6263 8299
Website: www.bigshareonline.com
Email Id: investor@bigshareonline.com

INVESTOR E-MAIL ID

bluechiptex@gmail.com

WEBSITE

www.bluechiptexindustrieslimited.com

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Blue Chip Tex Industries Limited

NOTICE

NOTICE is hereby given that the 39th Annual General Meeting (“AGM”) of the Members of Blue Chip Tex Industries Limited will be held on Thursday, 26th September, 2024 at 12 noon IST through Video Conferencing (“VC”) / Other Audio Visual Means (“OAVM”) to transact the following business:

ORDINARY BUSINESS:

- 1) To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended 31st March, 2024 together with the Reports of the Board of Directors and Auditors thereon and in this regard, to consider and if thought fit, to pass, with or without modification(s), the following Resolution as an **Ordinary Resolution**:
“**RESOLVED THAT** the Audited Financial Statements of the Company for the financial year ended 31st March, 2024 and the reports of the Board of Directors and Auditors thereon, as circulated to the Members, be and are hereby considered and adopted.”
- 2) To declare dividend of ₹1.00 /- per equity share for the financial year ended 31st March, 2024 and in this regard, to consider and if thought fit, to pass, with or without modification(s), the following Resolution as an **Ordinary Resolution**:
“**RESOLVED THAT** a dividend at the rate of ₹1.00 /- (Rupee One only) per equity share of ₹10/- (Rupees Ten) each fully paid-up of the Company, as recommended by the Board of Directors, be and is hereby declared for the financial year ended 31st March, 2024.”
- 3) To appoint a Director in place of Mr. Rahul A. Khemani (DIN: 03290468), who retires by rotation and, being eligible, offers himself for re-appointment and in this regard, to consider and if thought fit, to pass, with or without modification(s), the following Resolution as an **Ordinary Resolution**:
“**RESOLVED THAT** in accordance with the provisions of Section 152 and other applicable provisions of the Companies Act, 2013 Mr. Rahul A. Khemani (DIN: 03290468), who retires by rotation at this Meeting be and is hereby appointed as a Director of the Company.”

SPECIAL BUSINESS:

- 4) To ratify the remuneration of Cost Auditors for the financial year 2024-25 and in this regard, to consider and if thought fit, to pass, with or without modification(s), the following Resolution as an **Ordinary Resolution**:
“**RESOLVED THAT** pursuant to provisions of Section 148 of the Companies Act, 2013 and all other applicable provisions of Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) , the remuneration payable during the financial year 2024-25 to M/s NKJ & Associates, Practising Cost Accountants, Navi Mumbai, (Firm Registration No.101893) who have been appointed by the Board of Directors of the Company to conduct the audit of the cost records of the Company for the financial year 2024-25, amounting to ₹40,000/- exclusive of Goods and Service Tax and reimbursement of out of pocket expenses at actuals, if any, incurred in connection with the Audit be and is hereby ratified and confirmed;
RESOLVED FURTHER THAT the Board of Directors of the Company, be and is hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, expedient or desirable to give effect to this Resolution.”
- 5) Reclassification of promoter of the Company as Public Shareholders
To consider and approve reclassification of Promoter (Mr. Roop Khemani) of the Company and in this regard to consider and if thought fit to pass, with or without modification(s), the following resolution as a Special Resolution
“**RESOLVED THAT**, pursuant to the provisions of the Regulation 31A of SEBI(Listing Obligation and Disclosure Requirements) Regulations, 2015 read the rules and regulations issued thereunder, and the applicable guidelines of the Bombay Stock Exchange (BSE), the shareholder do hereby provide consent & approve the reclassification of Mr. Roop Khemani and his removal from the promoter list/ Group of Promoter of the Company.
RESOLVED FURTHER THAT, the Board of Directors of the Company is hereby authorized to take all necessary actions and execute all documents required to effectuate the reclassification and removal of Mr. Roop Khemani from the promoter list, including but not limited to filing necessary forms and documents with the Bombay Stock Exchange (BSE) and any other regulatory authorities as may be required.
RESOLVED FURTHER THAT, any Director or the Company Secretary or any other person authorized by the Board is empowered to carry out all actions necessary to comply with the requirements of the Bombay Stock Exchange (BSE) for this reclassification and to update the records accordingly.

Annual Report 2023-24

RESOLVED FURTHER THAT, the Company shall promptly notify the Bombay Stock Exchange (BSE) of the resolution passed in this regard and update the relevant records as necessary.

RESOLVED FURTHER THAT, a copy of this resolution be filed with the Bombay Stock Exchange (BSE) and made available to any party requesting the same.

RESOLVED FURTHER THAT, the Board of Directors be and are hereby authorized to do all acts, deeds, and things, and to execute and deliver all documents, as may be necessary or expedient to give effect to this resolution.”

**By order of the Board of Directors
For Blue Chip Tex Industries Limited**

Sd/-

Meena Jain

**Company Secretary & Compliance Officer
Membership No. ACS 64159**

Place: Mumbai

Date: 07th August, 2024

Registered Office:

Plot no. 63-B, Danudyog Sahakari Sangh Limited,
Village Piparia, Silvassa, U.T. of Dadra & Nagar Haveli- 396 230

Notes:

- 1) The Ministry of Corporate Affairs (“MCA”) vide its General Circular No. 10/ 2022 dated 28th December, 2022 latest being General Circular No 09/2023 has allowed Companies whose Annual General Meeting (“AGM”) are due in the year 2024, to conduct their AGMs on or before 30th September, 2024, through Video Conferencing (“VC”) or any Other Audio Visual Means (“OAVM”) in accordance with the requirements laid down in Para 3 and Para 4 of the General Circular No. 20/ 2020 dated 5th May, 2020, read with General Circular No. 14/2020 dated 8th April, 2020 and General Circular No. 17/2020 dated 13th April, 2020 issued by the MCA (Collectively referred to as “MCA General Circulars”).

Accordingly, in compliance with the requirements of the aforesaid MCA General Circulars, the Company is convening its 39th AGM through VC/OAVM, without the physical presence of the Members at a common venue. The Company has availed the facility of Central Depository Services (India) Limited (“CDSL”) for convening the 39th AGM through VC/OAVM. A detailed process in which the Members can attend the AGM through VC/OAVM has been enumerated in Note no 22 of this Notice.

- 2) The Members can join the AGM through the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting i.e. on Thursday, 26th September, 2024 from 11:45 a.m. till 12.15 p.m. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013 (“the Act”). The facility of participation at the AGM through VC/OAVM will be made available to at least 1000 Members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc, who are allowed to attend the AGM without restriction on account of first come first served basis.
- 3) The aforesaid MCA General Circular dated 5th May, 2022 read with MCA General Circulars dated 5th May, 2020 and 13th April, 2020 and SEBI Circular No. SEBI/ HO/CFD/CMD2/CIR/P/2022/62 dated 13th May, 2022 read with SEBI Circular No. SEBI/HO/CFD/CMD1/ CIR/P/2020/79 dated 12th May, 2020 and subsequent circulars issued in this regard, the latest being October 7, 2023 have granted relaxations to the Companies, with respect to printing and dispatching physical copies of the Annual Reports and Notices to its Members. Accordingly, the Company will only be sending soft copy of the Annual Report 2023-24 and Notice convening 39th AGM via e-mail, to the Members whose e-mail ids are registered with the Company or the Registrar and Share Transfer Agent (“RTA”) or Depository Participant/ Depository as on the cut-off date i.e. Friday, 23rd August, 2024.
- 4) For Members who have not registered their e-mail address and those Members who have become the Members of the Company after 23rd August, 2024, being the cut-off date for sending soft copy of the Notice of 39th AGM and Annual Report for Financial Year 2023-24, may refer to the Notice of 39th AGM and Annual Report available on the Company’s website, on the websites of CDSL and BSE.

Blue Chip Tex Industries Limited

- 5) Members may also note that the Notice convening the 39th AGM and the Annual Report for the financial year 2023-24, in Portable Document Format ("PDF"), will also be available on the Company's website www.bluechiptexindustriesslimited.com, website of CDSL i.e. www.evotingindia.com and on website of stock exchange viz. www.bseindia.com. The relevant documents, if any, referred to in the Notice of 39th AGM and the Annual Report will also be available for inspection electronically on request by a Member of the Company up to the date of the 39th AGM of the Company.
- 6) 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 General Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Attendance Slip and Proxy Form are not annexed to this Notice.
- 7) The relative Explanatory Statement pursuant to Section 102 of the Act, setting out material facts concerning the business under **Item No. 4** and **Item No. 5** of the Notice, is annexed hereto. The relevant details, pursuant to Regulation 36(3) of the Listing Regulations and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, in respect of Director seeking re-appointment at this AGM is also annexed.
- 8) Pursuant to the provisions of Sections 112 and 113 of the Act, Members such as the President of India/ the Governor of a State/Body Corporate can authorize their representatives to attend the 39th AGM through VC/OAVM and cast their votes through e-Voting. Provided a scan copy (PDF) of the Board Resolution or governing body Resolution/ Authorization etc., authorizing such representative to attend the said AGM of the Company through VC/OAVM on its behalf and to vote through Remote e-Voting shall be sent to the Scrutinizer through the registered email address of the Member(s) at pramodshah361@gmail.com with a copy marked to the Company at bluechiptex@gmail.com.
- 9) Pursuant to Section 91 of the Act, the Register of Members and the Share Transfer Books of the Company will remain closed from Thursday, 19th September, 2024 to Thursday, 26th September, 2024 (both days inclusive). The dividend of ₹ 1.00/-(Rupee One Only) per share on the Equity Shares of the Company of ₹ 10/- (Rupees Ten) each, if declared by the Members at the AGM, will be paid subject to deduction of income tax at source ("TDS") on or after Thursday, 3rd October, 2024 as under:
 - a. To all Beneficial Owners in respect of shares held in dematerialized form as per the data as may be made available by the National Securities Depository Limited ("NSDL") and the Central Depository Services (India) Limited ("CDSL"), collectively "Depositories", as of the close of business hours on Wednesday, 18th September, 2024.
 - b. To all Members in respect of shares held in physical form after giving effect to valid transfer, transmission or transposition requests lodged with the Company or its RTA as of the close of business hours on Wednesday, 18th September, 2024.
- 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 Depository Participants ("DPs") with whom they are maintaining their demat accounts. Further, as per SEBI Circular dated 20th April, 2018 all securities holders holding securities in physical form should submit their PAN and Bank account details to the RTA.

The Members may kindly note that as per the amended Regulation 40 of the Listing Regulations w.e.f. 1st April, 2019, transfer of the securities would be carried out in dematerialized form only. Members may also note that SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated 25th January, 2022 has mandated the listed Companies to issue securities in dematerialized form only while processing service requests viz. Issue of duplicate securities certificate; claim from unclaimed suspense account; renewal/ exchange of securities certificate; endorsement; sub-division/splitting of securities certificate; consolidation of securities certificates/ folios; transmission and transposition. Accordingly, Members are requested to make service requests by submitting a duly filled and signed Form ISR – 4, the format of which is available on the Company's website i.e. www.bluechiptexindustriesslimited.com. It may be noted that any service request can be processed only after the folio is KYC Compliant. Accordingly, Members holding shares in Physical mode are advised to demat their physical share holdings at the earliest.

- 11) Members holding shares in electronic form may note that as per the Circular issued by NSDL and CDSL, the Company is obliged to print on the dividend warrants, bank details of beneficiary owners / Members as furnished by these Depositories while making payment of dividend. The Company or its RTA cannot act on any request received directly from the Members holding shares in electronic form for any change of bank particulars or bank mandates. Members are requested to advise such changes only to their DPs.
- 12) SEBI and the MCA encourages paperless communication as a contribution to greener environment.

Members are advised to register/update their PAN, address, e-mail address, mobile no., signature and bank mandates (i.e. bank account number, name of the bank and the branch, 9 digit MICR Bank/Branch code and account type) to their DPs in case of shares held in electronic form and to the Company and/or its RTA in prescribed Form ISR-1 and/or ISR-2 as per the SEBI Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/655 dated 3rd November,

2021, in case of shares held in physical form for receiving dividend in their bank accounts and all communications, including Annual Report, Notices, Circulars etc. from the Company. The aforesaid Forms are available on website of the Company i.e. www.bluechiptexindustrieslimited.com.

- 13) In case of remittance of dividend in electronic form, an intimation of the dividend payment would be sent to the Members on their registered email address, if any. In case of Members who are not covered by NECS facility, the dividend amount will be remitted by means of dividend warrants/demand drafts which will be posted to their respective registered address.
- 14) Members holding shares in physical form and desirous of making a nomination in respect of their shareholdings in the Company, as permitted under Section 72 of the Act, read with Rule 19 of the Companies (Share Capital and Debentures) Rules, 2014, may fill Form SH-13 or in case Member desires to opt out or cancel the earlier nomination, he/ she may do so by filing Form ISR-3 or SH-14 as the case may be and send the same to the office of the Company and/or its RTA. In case of shares held in dematerialized form, the nomination/change in nomination should be lodged with their respective DPs.

Further SEBI vide its Circular No SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/37 dated March 16, 2023 mandated that the Members (holding securities in physical form), whose folio(s) are not updated with the KYC details (any of the details viz., PAN; Choice of Nomination; Contact Details; Mobile Number; Bank Account Details and signature) shall be eligible for any payment including dividend, interest or redemption in respect of such folios, only through electronic mode with effect from April 01, 2024, Members are requested to refer to and follow the process detailed in the said circular to update KYC https://www.sebi.gov.in/legal/circulars/mar-2023/common-and-simplified-norms-for-processing-investor-s-service-requests-by-rtas-and-norms-for-furnishing-pan-kyc-details-and-nomination_69105.html

- 15) Members, who hold shares in multiple Demat accounts and those who hold shares in physical form in multiple folios in identical names or joint holding in the same order of names are advised to consolidate their holdings in single Demat account/Folio.
- 16) Members desiring any information on the annual financial statements or any other query related to the Annual Report are requested to write to the Company on or before Tuesday, 17th September, 2024 through email on bluechiptex@gmail.com. The same will be replied by the Company suitably.
- 17) Prevention of Frauds: Members are advised to exercise due diligence and notify their DP of any change in address, stay abroad or demise of any shareholder as soon as possible. Do not leave your Demat account dormant for long. Periodic statement of holdings should be obtained from the concerned DP and holdings should be verified to prevent frauds/misuse, if any.
- 18) Confidentiality of Security Details: Do not disclose Folio Nos. / DP ID/ Client ID to unknown persons. Do not hand over signed blank transfer deeds, delivery instruction slips to any unknown persons.
- 19) **IEPF Information:**

Members who have not encashed their dividend warrants for the dividends declared for the financial years 2016-17 onwards upto 2022-23 are requested to send a letter along with unclaimed dividend warrant, if any, or letter of undertaking for issue of duplicate dividend warrant/demand draft. Pursuant to the provisions of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules"), the Company has uploaded the details of unpaid and unclaimed amounts in respect of dividends for the financial years 2015-16 to 2021-22 lying with the Company as on 31st March, 2023 on the website of the Ministry of Corporate Affairs in e-Form IEPF-2 and also on the website of the Company (www.bluechiptexindustrieslimited.com).

In terms of Section 124 of the Act, dividend declared for the financial year 2016-17 will be due for transfer to the Investor Education and Protection Fund ("IEPF") (established by the Central Government) in September, 2024, as the same would remain unpaid for a period of seven years from the due date of payment. Members are requested to en-cash their Dividend Warrants promptly. It may be noted that once the unclaimed dividend is transferred to the IEPF as above, no claim shall lie with the Company in respect of such amount.

Attention of Members is invited to the provisions of Section 124(6) of the Act read with IEPF Rules, as amended from time to time, which inter alia requires the Company to transfer the Equity Shares in respect of which the dividend has remained unpaid or unclaimed for a continuous period of seven years, to a Demat account of the Investor Education and Protection Fund Authority ("IEPF Authority"). The said shares, once transferred to the said Demat account of the IEPF Authority can be claimed only after following the procedure prescribed under the said IEPF Rules.

Blue Chip Tex Industries Limited

Therefore, Members are requested to claim their unpaid dividend pertaining to the financial year 2016-17 to 2022-23 as soon as possible, so that shares in respect of which the dividend is pending are not transferred to the Demat Account of IEPF authority at appropriate date.

- 20) Since the ensuing AGM will be convened through VC/OAVM, Members can opt for one mode of voting i.e. either by Remote e-Voting or through e-Voting at the time of AGM. Only those Members, who are present in the AGM through VC/OAVM facility and have not cast their vote on Resolutions through Remote e-Voting or are otherwise not barred from doing so, shall be allowed to vote through e-Voting system in the Meeting.

However, in case Members cast their vote both by Remote e-Voting and e-Voting at the time of AGM, then voting done through Remote e-Voting shall prevail and voting done by e-Voting at the time of AGM will be treated as invalid. The voting right of all Members shall be in proportion to their shares in the Paid Up Equity Share Capital of the Company as on the cut-off date i.e. 19th September, 2024.

21) **Voting through electronic means:**

Pursuant to the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended and Regulation 44 of the Listing Regulations, as amended and Secretarial Standards on General Meetings (SS-2) issued by the Institute of Company Secretaries of India, and MCA Circulars dated 5th May, 2022 read with MCA Circulars dated 8th April, 2020, 13th April, 2020 and 5th May, 2020 the Company is pleased to provide facility of Remote e-Voting and e-Voting at the time of AGM, to its Members in respect of the business to be transacted at the 39th AGM.

The Company has appointed Mr. Pramod .S. Shah, Practising Company Secretary (Membership No. FCS 334), Partner, M/s. Pramod .S. Shah & Associates as the Scrutinizer for conducting the Remote e-Voting and the e-Voting process at the time of AGM in a fair and transparent manner.

22) **THE INSTRUCTIONS FOR SHAREHOLDERS FOR REMOTE E-VOTING AND E-VOTING DURING AGM AND JOINING MEETING THROUGH VC/OAVM ARE AS UNDER:**

- i. The Remote e-Voting period begins on Monday, 23rd September, 2024 at 9:00 a.m. and ends on Wednesday, 25th September, 2024 at 5:00 p.m. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. 19th September, 2024, may cast their vote electronically. The Remote e-Voting module shall be disabled by CDSL for voting thereafter.
- ii. Shareholders who have already voted prior to the AGM date through Remote e-Voting would not be entitled to vote at the time of AGM.
- iii. Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 9th December, 2020, under Regulation 44 of the Listing Regulations, 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 Companies 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.

- iv. In terms of SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 9th December, 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.

Pursuant to the aforesaid SEBI Circular, login method for e-Voting and joining virtual Meeting 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"> 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 URLs for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or visit www.cdslindia.com and click on Login icon and select New System Myeasi. 2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible Companies where the e-Voting is in progress as per the information provided by Company. On clicking the e-Voting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the Remote e-Voting period or joining virtual Meeting & voting during the Meeting. Additionally, there are also links provided to access the system of all e-Voting Service Providers i.e. CDSL/ NSDL/ KARVY/LINKINTIME, so that the user can visit the e-Voting service provider's website directly. 3. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration. 4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a link available on www.cdslindia.com home page or click on https://evoting.cdslindia.com/Evoting/EvotingLogin. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the e-Voting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders holding securities in Demat mode with NSDL	<ol style="list-style-type: none"> 1. If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsd.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on Company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the Remote e-Voting period or joining virtual Meeting & voting during the Meeting. 2. If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsd.com. Select "Register Online for IDeAS "Portal or click at https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp 3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsd.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/ Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/ OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on Company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the Remote e-Voting period or joining virtual Meeting & voting during the Meeting.
Individual Shareholders (holding securities in demat mode) login through their Depository Participants	<p>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's website for casting your vote during the Remote e-Voting period or joining virtual Meeting & voting during the Meeting.</p>

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

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

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

Login method for e-Voting and joining virtual Meeting for Physical shareholders and shareholders other than individual holding in Demat form:

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

	For Shareholders holding shares in Demat Form other than individual and Shareholders holding shares in Physical Form
PAN	<ul style="list-style-type: none"> • Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both Demat Members as well as Physical Members) • Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.
Dividend Bank Details OR Date of Birth (DOB)	<ul style="list-style-type: none"> • Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the Company records in order to login. • If both the details are not recorded with the depository or Company, please enter the Member Id/Folio No in the Dividend Bank details field.

7. After entering these details appropriately, click on "SUBMIT" tab.
8. Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat account holders for voting for Resolutions of any other Company on which they are eligible to vote, provided that Company opts for e-Voting through CDSL platform. **It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.**
9. For Shareholders holding shares in physical form, the details can be used only for e-Voting on the Resolutions contained in this Notice.
10. Click on the EVSN for the relevant <Company Name> on which you choose to vote.
11. On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
12. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolutions details.

13. After selecting the Resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
14. Once you "CONFIRM" your vote on the Resolution, you will not be allowed to modify your vote.
15. You can also take out print of the voting done by you by clicking on "Click here to print" option on the voting page.
16. If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
17. There is also an optional provision to upload Board Resolution / Power of Attorney if any uploaded, which will be made available to scrutinizer for verification.

vi. Additional Facility for Non – Individual Shareholders and Custodians – For Remote Voting only:

1. Non-Individual shareholders (i.e. other than Individuals, HUF, NRI, etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the "Corporates" module.
2. A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
3. After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
4. The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
5. A scanned copy of the Board Resolution and Power of Attorney which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
6. Alternatively Non-Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer at the email address i.e. pramodshah361@gmail.com and to the Company at the email address i.e. bluechiptex@gmail.com, if they have voted from individual tab and not uploaded same in the CDSL e-Voting system for the scrutinizer to verify the same.

A. INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE 39TH AGM THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER:

1. The procedure for attending Meeting & e-Voting on the day of the AGM is same as the instructions mentioned above for Remote e-Voting.
2. The link for VC/OAVM to attend Meeting will be available where the EVSN of the Company will be displayed after successful login as per the instructions mentioned above for Remote e-Voting.
3. Shareholders who have voted through Remote e-Voting will be eligible to attend the Meeting. However, they will not be eligible to vote at the time of AGM.
4. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the Meeting.
6. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
7. Shareholders who would like to express their views/ask questions during the Meeting may register themselves as a speaker by sending their request in advance at least 7 days prior to the Meeting mentioning their name, demat account number/folio number, email id, mobile number at bluechiptex@gmail.com. The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance 7 days prior to the Meeting mentioning their name, demat account number/folio number, email id, mobile number at bluechiptex@gmail.com. These queries will be replied to by the Company suitably by email or at the time of AGM.
8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the Meeting.
9. Only those shareholders, who are 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 available during the AGM.

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10. If any Votes are cast by the shareholders through the e-Voting available during the AGM and if the same shareholders have not participated in the Meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-Voting during the Meeting is available only to the shareholders attending the Meeting.

A. PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL ADDRESSES ARE NOT REGISTERED WITH THE DEPOSITORIES / COMPANY FOR OBTAINING LOGIN CREDENTIALS FOR E-VOTING FOR THE RESOLUTIONS PROPOSED IN THIS NOTICE:

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

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33. All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call on toll free no. 1800 22 55 33.

The results on voting of Resolutions will be declared on Friday, 27th September, 2024. The results declared along with the scrutinizer's report will be placed on the website of the Company i.e. www.bluechiptexindustrieslimited.com and website of CDSL i.e. www.evotingindia.com immediately after the result is declared by the Chairman or any other person authorized by him and will simultaneously be forwarded to BSE Limited, where the Equity Shares of the Company are listed.

- 23) Since the 39th AGM will be held through VC/OAVM, the Route Map to the venue of AGM as per the requirements of Secretarial Standards – 2 is not annexed to this Notice.

EXPLANATORY STATEMENT (Pursuant to Section 102 of the Companies Act, 2013)

Item No. 4:

The Company is required under Section 148 of the Act read with the Companies (Cost Records and Audit) Rules, 2014, as amended from time to time, to have the audit of its cost records for products covered under the Companies (Cost Records and Audit) Rules, 2014 conducted by a Cost Accountant in practice. The Board of Directors of the Company has on the recommendation of the Audit Committee approved the appointment and remuneration of M/s NKJ & Associates, Practising Cost Accountant, Navi Mumbai, (Firm Registration No.101893) as the Cost Auditor of the Company for the Financial Year 2024-25.

In accordance with the provisions of Section 148(3) of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors as recommended by the Audit Committee and approved by the Board of Directors has to be ratified by the Members of the Company. Accordingly, the consent of the Members is sought for passing an Ordinary Resolution as set out at Item No. 4 of the Notice for ratification of the remuneration payable to the Cost Auditor of the Company for the Financial Year 2024-25.

The Board recommends the said Resolution set out at Item No. 4 of this Notice to be passed as an Ordinary Resolution by the Members.-

None of the Directors, Key Managerial Personnel or their relatives are in any way concerned or interested or deemed to be concerned or interested, financially or otherwise, in the proposed Resolution as set out at Item No. 4 of the Notice.

Item No 5: Reclassification of Mr. Roop Khemani

The company had received letter from Mr. Roop .K. Khemani the person falling under promoter/ Promoter Group of the company requesting to be reclassified from the 'Promoter/ Group of Promoter' to 'Public Category '

The aforesaid Promoter/promoter group person is not holds NIL shareholding of the total paid up capital of the Company. The aforesaid promoter/ promoter group person do not exercise any control over the Company and is not engaged in the management of the Company. The aforesaid person neither have representation on the Board of Directors of the Company nor hold any key Management position in the Company. The Company also not entered into any Shareholders Agreement with him. Further the aforesaid person does not has any veto Rights as to voting power or control of the Company. He do not have any Special Information Rights.

The aforesaid person have requested to the Company to reclassify them from being a "Promoter Category" to " Public Category" Shareholder of the Company.

Based on the letter received from above promoter person, the matter was discussed by the Board of Director at their meeting held on 07th August, 2024 and Board decided to get the above promoter/promoter group person reclassified from the "Promoter Category" to "Public Category" with the approval of stock exchanges

**By order of the Board of Directors
For Blue Chip Tex Industries Limited**

Sd/-

Meena Jain

**Company Secretary & Compliance Officer
Membership No. ACS 64159**

Place: Mumbai

Date: 07th August, 2024

Registered Office:

Plot no. 63-B, Danudyog Sahakari Sangh Limited,
Village Piparia, Silvassa, U.T. of Dadra & Nagar Haveli- 396 230

Blue Chip Tex Industries Limited

ANNEXURE TO ITEM NO. 3

Details of the Directors seeking appointment/re-appointment in the forthcoming AGM
[Pursuant to 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and Secretarial Standard on General Meetings]

Particulars		Item no. 3
Name of the Director	:	Mr. Rahul .A. Khemani
DIN	:	03290468
Nationality	:	Indian
Date of appointment on the Board	:	01/11/2010
Qualifications & Experience (including expertise in specific functional area)	:	B.Com from Mumbai University and Masters in Technology entrepreneurship from University of London, U.K. He has over 13 years of rich business experience in Textile Industry.
Number of shares held in the Company	:	67,580
List of the directorships held in other Companies (Listed or not)	:	Beekaylon Synthetics Private Limited Sangam Syntwist textiles Private Limited
Number of Board Meetings attended during the year	:	8
Chairman/Member in the Committees of the Board of Companies in which he is Director	:	Member of Audit Committee & Stakeholder's Relationship Committee in Blue Chip Tex Industries Limited.
Relationship between Directors inter-se	:	Brother of Mr. Siddharth .A. Khemani, Non-Executive , Non - Independent Director of the Company.
Remuneration details	:	36,00,000 p.a

By order of the Board of Directors
For Blue Chip Tex Industries Limited

Sd/-

Meena Jain

Company Secretary & Compliance Officer
Membership No. ACS 64159

Place: Mumbai

Date: 07th August, 2024

Registered Office:

Plot no. 63-B, Danudyog Sahakari Sangh Limited,
Village Piparia, Silvassa, U.T. of Dadra & Nagar Haveli- 396 230

DIRECTORS' REPORT

Dear Members,

Your Directors are pleased to present the 39th Annual Report of Blue Chip Tex Industries Limited ("your Company" or "the Company") along with the Audited Financial Statements for the Financial Year ("FY") ended 31st March, 2024.

FINANCIAL PERFORMANCE:

The financial performance of your Company for the FY ended 31st March, 2024, is summarized below:

₹ In Lakhs

Particulars	FY 2023-24	FY 2022-23
Revenue from Operations	25,558.33	25,272.40
Other Income	37.94	49.82
Total Income	25,596.27	25,322.22
Expenses		
Expenses except depreciation & amortization expense	25,269.97	24,946.59
Depreciation & amortization expense	254.92	257.14
Total Expenses	25,524.89	25,203.73
Profit before depreciation & amortization expense	326.30	375.63
Less: Depreciation & amortization expense	254.92	257.14
Profit before Tax	71.38	118.49
Less: Tax Expenses		
Current tax for the current year	41.80	48.05
Current tax related to earlier years	(0.92)	(4.33)
Deferred tax	(21.86)	(16.43)
Profit after tax	52.36	91.20
Other Comprehensive income	(10.79)	2.10
Total income for the year	41.57	93.30
Earnings per share (in ₹) (Basic and Diluted)	2.66	4.63
Amount transferred to Retained Earnings	41.57	93.30
Transfer to General Reserve	-	-

The abovementioned financial performance highlights are an abstract of the Financial Statements of your Company for the FY 2023-24. The detailed Financial Statements forms part of this Annual Report and are also uploaded on website of your Company i.e. www.bluechiptexindustrieslimited.com.

1. Performance Highlights:

The revenue from operations for the financial year 2023-24 was up by 1.13% and stood at ₹ 25,558.33 lakhs compared to ₹ 25,272.40 lakhs in the previous financial year. The Profit after tax for the financial year 2023-24 was ₹ 52.36 lakhs as compared to ₹ 91.20 lakhs in previous financial year.

2. Dividend:

Your Directors are pleased to recommend a dividend of ₹1.00/- per equity share of ₹10/- each for the FY 2023-24.

In accordance with the provisions of the Income Tax Act, 1961 as amended by and read with the provisions of the Finance Act, 2020, with effect from 1st April, 2020, dividend declared and paid by any Company is taxable in the hands of shareholders. Your Company shall, therefore, be required to regulate deduction of tax at source ("TDS") at the time of payment of dividend in accordance with the provisions of the Income Tax Act, 1961 read with the Finance Act, 2020 and at the applicable rates of taxes. The TDS rate may vary depending upon the residential status of the shareholder and the documents submitted to your Company.

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Your Company will also be sending communication to the shareholders informing them to submit the necessary documents to enable your Company to calculate the amount of tax required to be deducted from the proposed dividend in respect of each eligible shareholders. The aforesaid communication will be sent to those shareholders whose name appears in the Register of Members as on 12th August, 2024 via email to those shareholders who have registered their email id with your Company.

3. **Transfer to Reserves:**

Your Company did not transfer any sum to the General Reserve for the Financial Year under review.

4. **Annual Return:**

Pursuant to Section 134(3)(a) of the Companies Act, 2013 ("the Act"), the draft annual return for Financial Year 2023-24 prepared in accordance with Section 92(3) of the Act is made available on the website of the Company i.e. www.bluechiptexindustrieslimited.com under 'Annual Report' section.

5. **Details of Frauds reported by the Auditors under Section 143(12) of Companies Act, 2013:**

There are no frauds reported by the Auditor which are required to be disclosed under Section 143(12) of the Act.

6. **Board Meetings:**

The Board met eight times through video conferencing during the FY 2023-24 on 25th April 2023, 25th May 2023, 9th August 2023, 28th August 2023, 09th November 2023, 20th December 2023, 12th February 2024 and 05th March, 2024. The necessary quorum was present for all the Meetings. Also, the Board of Directors of your Company passed a Resolution by Circulation on 30th November 2023.

7. **Changes in Directors and Key Managerial Personnel:**

During the year under review there was No changes in the Composition of the Board of the Directors.

During the year, Mr. Durgesh S. Shirsate (ACS No: 69724), Company Secretary & Compliance Officer of the company resigned with effect from 30th September, 2023. Further, Mrs. Meena Jain (ACS No: 64159) was appointed as Company Secretary & Compliance Officer of the company with effect from 21st December, 2023.

In accordance with the provisions of Section 152 of the Act Mr. Rahul .A. Khemani, Director (DIN No: 03290468) of your Company retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.

8. **Independent Directors:**

Pursuant to Section 134(3)(d) of the Act, Company confirms having received necessary declarations from all the Independent Directors under Section 149(7) of the Act and Regulation 25(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations") declaring that they meet the criteria of independence laid down under Section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulations. All the Independent Directors of Company have complied with the provisions of sub rule (1) and (2) of Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014 by registering themselves under data bank of Independent Director.

All Independent Directors are familiarized with your Company, their roles, rights and responsibilities in your Company, nature of the industry in which Company operates, business model, strategy, operations and functions of your Company through its Executive Directors and Senior Managerial Personnel.

Company's Independent Directors meet at least once in every financial year without the presence of the Executive Directors of your Company. During the year under review, one Meeting of Independent Directors was held on 23rd January, 2024.

During the year under review, Company did not have any pecuniary relationship or transactions with any of its Independent Directors, other than payment of sitting fees.

In the opinion of the Board, the Independent Directors of the Company meet the requirements of integrity, expertise and experience as required by the Company and have the Proficiency required for their appointment as an Independent Director on the Board of the Company.

9. Particulars of Remuneration to Directors and Employees:

The statement containing particulars in terms of Section 197(12) of the Act read with rule 5(1), Rule 5(2) and Rule 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed herewith as “Annexure IV”.

10. Performance Evaluation:

Pursuant to the applicable provisions of the Companies Act, 2013, the Board has carried out an Annual Evaluation of its own performance, performance of the Individual Directors, Key Managerial Personnel and Committees of Board, based on the evaluation criteria defined by Nomination and Remuneration Committee (“NRC”) for performance evaluation process of the Board, its Committees, Directors and Key Managerial Personnel. All the evaluation is carried out at Board of Director’s Meeting, Independent Director’s Meeting and NRC Meeting. Having regard to the industry, size and nature of business your Company is engaged and the evaluation methodology adopted is in the opinion of the Board, sufficient, appropriate and is found to be serving the purpose.

Performance evaluation of Independent Directors was conducted by the Board of Directors, excluding the Director being evaluated. The criteria for performance evaluation of Independent Directors laid down by the Nomination and Remuneration Committee include ethics, knowledge and proficiency, diligence, efforts for personal development, independence in decision making, etc. Similarly, performance evaluation of the Non-Independent Directors was carried out by the Independent Directors of your Company at its separate Meeting. Your Directors also expressed their satisfaction with the evaluation process.

11. Auditors:

(i) Statutory Auditors and their Report

At the 37th Annual General Meeting held on 27th September, 2022, M/s. D K P & Associates, Chartered Accountants, (Firm Registration No. 126305W) were appointed as the Statutory Auditors of your Company to hold office for a term of 5 years commencing from the conclusion of 37th Annual General Meeting till the conclusion of 42nd Annual General Meeting subject to ratification by Members in each Annual General Meeting. However, as per the Companies (Amendment) Act, 2017, provisions of Section 139 of the Act have been amended, wherein, the requirement of ratification of appointment of Statutory Auditors at every Annual General Meeting has been done away with. Accordingly, the Audit Committee and the Board of Directors of your Company during their respective Meetings held on 26th May, 2022 have considered and approved the re-appointment of M/s. D K P & Associates, Chartered Accountants, (Firm Registration No. 126305W) as the Statutory Auditors of your Company, for further period of 5 years i.e. from the conclusion of the 37th Annual General Meeting until the conclusion of the 42nd Annual General Meeting of your Company to be held in the year 2027.

The Notes on financial statements referred to in the Auditors’ Report are self-explanatory and do not call for any further comments. The Auditors’ Report does not contain any qualification(s), reservation(s) or adverse remark(s).

(ii) Secretarial Auditors and their Report

In terms of Section 204 of the Act, the Board of Directors of your Company on the recommendation of the Audit Committee have re-appointed M/s. Pramod .S. Shah and Associates, Practising Company Secretaries, Mumbai as the Secretarial Auditors of your Company to carry out Secretarial Audit for the financial year 2024-2025. Your Company has obtained Secretarial Audit Report for the Financial Year 2023-24 in the prescribed Form MR-3 from M/s Pramod .S. Shah and Associates, Practising Company Secretaries, which forms part of the Annual Report and is annexed as “Annexure I” to this Report. The report does not contain any qualification(s), reservation(s) or adverse remark(s) which calls for any explanation from your Board of Directors.

(iii) Cost Auditors and their Report

In terms of the provisions of Section 148 of the Act read with the Companies (Cost Records and Audit) Rules, 2014, as amended from time to time, the Board of Directors, based on the recommendation of the Audit Committee, have re-appointed M/s. NKJ & Associates, Practising Cost Accountants, Mumbai (Registration No. 101893), as Cost Auditor of the Company for conducting the Cost Audit for the Financial Year 2024-25, on a remuneration as mentioned in the Notice of 39th Annual General Meeting. A Certificate from M/s. NKJ & Associates, Practising Cost Accountants, has been received to the effect that their appointment as Cost Auditor of the Company, if made, would be in accordance with the limits specified under Section 141 of the Act and Rules framed thereunder. A resolution seeking Member’s ratification for the remuneration payable to the Cost Auditor forms part of the Notice

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of 39th Annual General Meeting and the same is recommended for your consideration and ratification. The Cost Audit Report for the FY 2023-24, does not contain any qualification(s), reservation(s) or adverse remark(s) which calls for any explanation from your Board of Directors.

(iv) Internal Auditors

In terms of the provisions of Section 138 of the Act read with the Companies (Accounts) Rules, 2014, as amended from time to time, the Board of Directors, based on the recommendation of the Audit Committee, have re-appointed M/s. Raju Gupta & Associates, Chartered Accountants, Mumbai (Registration No. 108477W), as the Internal Auditor of the Company for the FY 2024-25. The Internal Audit Report for the FY 2023-24, does not contain any qualification(s), reservation(s) or adverse remark(s) which calls for any explanation from your Board of Directors.

12. Transfer to Investor Education and Protection Fund:

Transfer of Equity Shares: Pursuant to the provisions of Section 124(6) of the Companies Act, 2013 and the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 notified by the Ministry of Corporate Affairs on 7th September, 2016 and subsequently amended vide notification dated 28th February, 2017, all the equity shares of the Company in respect of which dividend amounts have not been paid or claimed by the shareholders for seven consecutive years or more are required to be transferred to demat account of the Investor Education and Protection Fund (IEPF) Authority.

Accordingly, 11001 shares of 88 members of your Company were transferred to Demat Account of IEPF Authority on 14th September, 2023. Your Company had sent individual notice to all the members whose email ids were available with Company and has also published the notice in the leading English and Gujarati newspapers. The details of the aforesaid members are available on website of your Company i.e. www.bluechiptexindustrieslimited.com.

Transfer of Unclaimed/ Unpaid Dividend: Further, pursuant to the provisions of Section 124(5) of the Act, the dividend which remained unclaimed/ unpaid for a period of seven years from the date of transfer to unpaid dividend account is required to be transferred to the Investor Education and Protection Fund (IEPF) established by the Central Government. As a result, the unclaimed/ unpaid dividend for the year 2015-16 which remained unclaimed and unpaid for a period of 7 years has been transferred by your Company to the IEPF.

Your Company has/shall uploaded the details of unclaimed/ unpaid dividend for the FY 2015-16 onwards on its website viz., www.bluechiptexindustrieslimited.com and on website of the Ministry of Corporate Affairs viz., www.mca.gov.in and the same gets revised / updated from time to time.

Further, the unpaid Dividend amount pertaining to the FY 2016-17 will be transferred to IEPF during the FY 2024-25.

13. Deposits:

The Company has not accepted any deposits covered under the provisions of the Act and the Rules made thereunder.

14. Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo as per Section 134 (3) (m) of the Companies Act, 2013 read with Rule 8 (3) of the Companies (Accounts) Rules, 2014:

A. Conservation of Energy:

(i) The steps taken or impact on conservation of energy:

Constant efforts in continuing all previous conservation measures and increasing awareness of energy management amongst employees have continued which should enable further savings going forward. The Company had installed solar plant for energy conservation in March, 2020. Also Company had installed LED lights in place of existing lighting system in March, 2020. Installation of solar plant and LED lights helped in reducing the energy bill and creating higher productivity.

(ii) The steps taken for utilizing alternate sources of energy:

The Company had installed solar plant for energy conservation in March, 2020. Also Company had installed LED lights in place of existing lighting system in March, 2020.

(iii) The capital investment on energy conservation equipment:

No capital investment has been made during the year under review.

B. Technology absorption:

(i) The efforts made towards technology absorption:

The Textile business environment is becoming more and more challenging and competitive, thus in current scenario, it becomes the key to survival. We follow strategy of Innovation and Sustainability and research is being done to keep business predictable, sustainable and profitable and to de-risk our product portfolio.

(ii) The benefits derived like product improvement, cost reduction, product development or import substitution:

The Company keeps itself abreast of the technical development and innovation in its line of products and tries to bring improvements in the product for better yield, quality and cost effectiveness etc. Continuous efforts are being made in the areas of quality improvements, waste reduction, process capability and cost minimization to specially improve the market acceptance of the product.

(iii) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year) –

- (a) the details of technology imported: Not Applicable
- (b) the year of import: Not Applicable
- (c) whether the technology been fully absorbed: Not Applicable
- (d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof: Not Applicable

(iv) the expenditure incurred on Research and Development – NIL

C. Foreign exchange earnings and Outgo: NIL

15. Material Changes and Commitment, if any, affecting the financial position of the Company from the end of the financial year till the date of this report:

No material changes and commitments which could affect your Company's financial position have occurred between the end of the FY 2023-24 and to the date of this report.

16. Significant and Material Orders passed by the Regulators or Courts:

There are no significant and material orders passed by any Regulator/Court that would impact the going concern status of your Company and its future operations.

17. Details of Subsidiary Company / Associate Company / Joint Ventures:

Company does not have any Subsidiary Company or Associate Company or Joint Venture.

18. Change in the Nature of Business:

There has been no change in the nature of business of the Company during the year ended 31st March, 2024.

19. Change in the Capital Structure:

There has been no change in the capital structure of the Company during the year ended 31st March, 2024.

20. Accounting Treatment:

The Company followed the applicable Accounting Standards in the preparation of its Financial Statements.

21. Compliance with the applicable Secretarial Standards:

The Company has complied with the applicable secretarial standards for the FY 2023-24.

22. Adequacy of Internal Financial Controls with reference to the financial statements:

The Company has adequate and effective control systems, commensurate with its size and nature of business, to ensure that assets are efficiently used and the interest of the Company is safe guarded. Checks and balances are in place to determine the accuracy and reliability of accounting data.

23. Risk Management Committee:

Blue Chip Tex Industries Limited

As per Regulation 21 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015, the Board of Directors of the top 1000 listed entities needs to constitute a Risk Management Committee. As the Company does not falls into the aforesaid category, the Board has not constituted Risk Management Committee.

24. Particulars of Loans, Guarantees and Investments:

Company has not provided any loans or guarantees which are covered under the provisions of Section 186 of the Act. The details of investments covered under the provisions of Section 186 of the Act are given in the Notes to the Financial Statements forming part of Annual Report.

25. Related Party Transactions:

All Related Party Transactions entered into during the financial year under review, were on an arm's length basis, and in the ordinary course of business and are in compliance with the applicable provisions of the Act.

Prior omnibus approval of the Audit Committee is obtained for the transactions which are repetitive in nature or when the need for these transactions cannot be foreseen in advance. Details of transactions with Related Parties as required under Section 134(3)(h) of the Act read with Rule 8(2) of the Companies (Accounts) Rules, 2014 is annexed herewith as "Annexure II" in form AOC-2.

The Policy on materiality of related party transactions and dealing with related party transactions as approved by the Board may be accessed from your Company's website at www.bluechiptexindustrieslimited.com.

Attention of Members is also drawn to Note 31 to the financial statements for the year ended 31st March, 2024 which sets out the related party disclosures as per the Indian Accounting Standard.

26. Corporate Social Responsibility (CSR):

Your Company has been a firm believer that each and every individual including an artificial person owe something to the society at large.

Your Company for the FY 2023-24, in order to comply with the provisions of the Sec.135(5) of Companies Act 2013, your company had transferred the amount of Rs.9.20 Lakhs to in Prime Minister's national Relief Fund or Prime Minister's Citizen Assistance and Relief in Emergency Situations Fund (PM CARES Fund) specified in Schedule VII of Companies act 2013 & Companies (Corporate Social Responsibility Policy) Rules 2014, before 30th September,2023. The Disclosures as per Rule 9 of Companies (Corporate Social Responsibility Policy) Rules, 2014 is made in prescribed form which is annexed to this Report as "Annexure III".

Details about the CSR Policy adopted and formulated by your Company can be accessed from your Company's website at www.bluechiptexindustrieslimited.com.

27. Committees of Board:

I. Nomination and Remuneration Committee:

The Nomination and Remuneration Committee ("NRC") has been revised and re-constituted by the Board in the Board Meeting held on 29th May, 2024, in compliance with the requirements of Section 178 of the Act. The NRC consists of following three non-executive Directors:

- | | | | |
|----|---------------------------|---|--|
| 1. | Ms. Tanya Singh | – | Chairman (Independent Director) |
| 2. | Mr. Rohit .P. Bajaj | – | Member (Independent Director) |
| 3. | Mr. Siddharth .A. Khemani | – | Member (Non-Executive, Non-Independent Director) |

Terms of Reference of NRC: The role and terms of reference of the Committee are in line with the provisions of Section 178 of the Companies Act, 2013. The Committee is empowered to do the following:

- Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board of Directors a policy relating to the remuneration of the directors, key managerial personnel and other employees;
- Formulation of criteria for evaluation of performance of Independent Directors and the Board of Directors;

- c. Identifying persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down, and recommend to the Board of Directors their appointment and removal;
- d. Whether to extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of Independent Directors;
- e. Recommend to the Board, all remuneration, in whatever form, payable to Senior Management.

The Company's Nomination and Remuneration Policy for Directors, Key Managerial Personnel and other employees is annexed herewith as "**Annexure V**". Further, the Company has devised a Policy for performance evaluation of Independent Directors, Board, Committees and other individual Directors & Key Managerial Personnel's. The Company's Nomination and Remuneration Policy is directed towards rewarding performance based on review of achievements periodically. The Nomination and Remuneration Policy is in consonance with the existing industry practice.

II. Audit Committee:

The Audit Committee has been revised and re-constituted by the Board in the Board Meeting held on 29th May, 2024, in compliance with the requirements of Section 177 of the Act. The Audit Committee consists of following three Directors with the Chairman being Independent Director.

1. Mr. Abhishek S. Kamdar - Chairman (Independent Director)
2. Mr. Rohit .P. Bajaj - Member (Independent Director)
3. Mr. Rahul .A. Khemani - Member (CFO & Director)

Terms of Reference of the Audit Committee: The terms of reference of the Audit Committee of your Company are in accordance with Section 177 and other applicable provisions of the Act and the Rules framed thereunder, which inter alia include the following:

- a. Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
- b. Review and monitor the auditor's independence and performance, and effectiveness of audit process;
- c. Examination of the financial statement and limited review / auditors' report thereon;
- d. Approval or any subsequent modification of transactions of the Company with related parties;
- e. Scrutiny of inter-corporate loans and investments;
- f. Valuation of undertakings or assets of the Company, wherever it is necessary;
- g. Evaluation of internal financial controls and risk management systems;
- h. Discussion with Internal Auditors of any significant findings and follow up there on;
- i. Review the functioning of the Whistle Blower mechanism or Vigil mechanism; etc.

III. Stakeholders Relationship Committee:

The Stakeholders' Relationship Committee ("SRC") has been revised and re-constituted by the Board in the Board Meeting held on 29th May, 2024, in compliance with the requirements of Section 178 (5) of the Act. The SRC comprises of following four directors with the Chairman being Independent Director:

1. Mr. Abhishek S. Kamdar - Chairman (Independent Director)
2. Mr. Shahin .N. Khemani - Member (Managing Director)
3. Mr. Rahul .A. Khemani - Member (CFO & Director)
4. Mr. Siddharth .A. Khemani - Member (Non-Executive, Non-Independent Director)

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The terms of reference of the SRC, inter-alia are as follows:

- a. Resolving the grievances of the security holders of the Company including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, General Meetings etc.;
- b. Review of measures taken for effective exercise of voting rights by shareholders;
- c. Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent;
- d. Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/ statutory notices by the shareholders of the Company;

28. Whistle Blower Policy / Vigil Mechanism:

Your Company has a Vigil Mechanism in place which includes a Whistle Blower Policy for Directors and Employees of your Company to provide a mechanism which ensures adequate safeguards to Employees and Directors from any victimization on raising of concerns of any violations of legal or regulatory requirements, incorrect or misrepresentation of any financial statements and reports etc.

The Vigil Mechanism/Whistle Blower Policy of your Company can be accessed from your Company's website at www.bluechiptexindustrieslimited.com.

29. Disclosure under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

Your Company has framed 'Sexual Harassment Policy' and has constituted an Internal Complaints Committee as per the requirement of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules framed thereunder. No complaints with allegations of any sexual harassment were reported during the year under review.

30. Corporate Governance Report:

In terms of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015, please note that compliance with the corporate governance provisions as specified in regulations 17, 17A, 18, 19, 20, 21, 22, 23, 24, 24A, 25, 26, 27 and clauses (b) to (i) and (t) of sub-regulation (2) of regulation 46 and para C, D and E of Schedule V shall be applicable to the company, in respect of a listed entity having Paid Up Equity Share Capital exceeding Rupees Ten Crore and Net Worth exceeding Rupees Twenty Five Crore, as on the last day of the previous financial year. Since your Company's Paid Up Equity Share Capital and Net Worth as on FY 2023-24 are exceeding the above mentioned figures, the Corporate Governance Report for the FY 2023-24 as required under para C of Schedule V is attached.

31. Management Discussion And Analysis:

The global economy began its modest recovery in FY 2023-2024. While the trend is expected to accelerate in the current year, emerging markets like India faced multiple challenges capital outflows, intense exchange rate pressures and volatile current account movement. A combination of persistent inflation, fiscal imbalances, external sector vulnerabilities and low investments resulted in sluggish domestic demand growth. Fiscal and monetary initiatives taken by the Indian government and the Reserve Bank of India (RBI) helped stabilize financial market conditions, but the domestic macro-economic environment still remains challenging.

The overall performance of textile industry is badly affected due to lower realization both in export and domestic market. Disturbed power supply and skilled labor shortage in the region has worsened the position. However, underlying risks and vulnerabilities persist due to escalating geopolitical conflicts, inflation, prolonged higher interest rates, volatility in energy and sluggish recovery in China.

Despite these challenges, signs of stable growth, robust performance of the United States and several large emerging market and developing economies, coupled with inflation returning to target levels in advanced economies, indicate a diminished risk for the global economy. Despite headline inflation experiencing a decline from its unprecedented peaks, core inflation has remained persistent and is expected to decline gradually.

The global textile market is estimated at US\$ 1,065.6 billion in 2024 and is calculated to increase at a CAGR of 3.7% and reach US\$ 1,532.4 billion by 2034. Textile Yarn Market size was valued at USD 13.2 billion in 2023 and is poised to grow at a CAGR of 4.9% from 2024-2030. Textile yarn is a long continuous length of the interlocked fibers, used in the manufacturing of textiles. The global textile yarn market is growing at a significant CAGR owing to an increase in the preference for personnel appearance and home textiles

INDIAN ECONOMIC OVERVIEW & OUTLOOK

Amid a challenging global economic landscape and deteriorating geopolitical conditions, India shines as a beacon of optimism, proudly holding its position as the world's fifth-largest economy and expected to continue leading as the fastest-growing major economy. India's GDP growth remained buoyant at 7.6% in FY 2023-24 as against 7% in FY2022-23, supported by robust domestic demand, moderate inflation, a stable interest rate environment, and strong foreign exchange reserves. Furthermore, an accelerated pace of economic reforms and increased capital expenditure facilitated construction activities and created employment opportunities across the country. The International Monetary Fund (IMF) commended India's economic resilience, robust growth, and notable progress in formalisation and digital infrastructure. Moreover, India's G20 presidency in 2023 has demonstrated its capability to cater to global needs and provided a platform to address global concerns.

India's top export markets, including the US, UAE, and China, witnessed double-digit growth in exports. Despite unfavourable economic conditions in major markets such as the European Union (EU), the US, and West Asian nations, Indian textile exports grew by 9.59 per cent compared to the previous year in May 2024, the Confederation of Indian Textile Industry (CITI) said in a report. Simultaneously, Indian apparel exports grew 9.84 per cent during the same period. The CITI, in its report, highlighted that the cumulative exports of textiles and apparel during May 2024 registered a growth of 9.70 per cent over May last year. The country's overall exports for May 2024 surged to USD 68.29 billion. Indian textile exports increased 6.04 per cent over the previous year, while apparel exports increased 4.46 per cent during the same period. Thus, the cumulative exports of textiles and apparel from April to May 2024 surged 5.34 per cent compared to last year.

The manufacturing intensity in the Textiles market is projected to amount to 1.6% in 2024. The number of enterprises in the Textiles market is projected to amount to 18.81k in 2024. A compound annual growth rate of 4.54% is expected (CAGR 2024–2029). India is the world's sixth-largest exporter of textiles and apparel, with the domestic apparel and textile industry contributing about 2.3% to the country's GDP, 13% to industrial production, and 12% to exports. India's textile and apparel market size is growing at a CAGR of 14.59% from \$172.3 billion in 2022 and is expected to reach \$387.3 billion by 2028, according to Indian Brand Equity Foundation (IBEF), a body established by the ministry of commerce and industry. The textile industry is also the second-largest employer after agriculture, providing direct employment to 45 million people and 100 million people in the allied sector.

The textile industry is an ever-growing market, with key competitors being China, the European Union, the United States, and India. China is the world's leading producer and exporter of both raw textiles and garments. India is among the top five textile manufacturing country and is responsible for more than 6% of the total textile production, globally. The rapid industrialization in the developed and developing countries and the evolving technology are helping the textile industry to have modern installations which are capable of high-efficient fabric production. Indian Textile Industry India is the world's second-largest producer of textiles and garments. It is also the sixth-largest exporter of textiles spanning apparel, home and technical products.

The Textile market is poised to grow, led by boost in demand and the government support in form of attractive schemes such as Production Linked Incentive (PLI), Mega Investment Textile Parks (MITRA) will further drive the way for the US\$ 250 billion target. Another step taken by the Ministry of Textiles towards positioning India as a global leader in technical textiles manufacturing is the invitation of Research proposals for Funding for Design, Development and Manufacturing of Machinery, Tools, Equipment, and Testing Instruments under NTTM.

Industry Information:

India's textiles sector is one of the oldest industries in the Indian economy, dating back to several centuries. The industry is extremely varied, with hand-spun and hand-woven textiles sectors at one end of the spectrum, with the capital-intensive sophisticated mills sector on the other end. The decentralised power looms/ hosiery and knitting sector forms the largest component in the textiles sector. The close linkage of textiles industry to agriculture (for raw materials such as cotton) and the ancient culture and traditions of the country in terms of textiles makes it unique in comparison

Blue Chip Tex Industries Limited

to other industries in the country. India's textiles industry has a capacity to produce a wide variety of products suitable for different market segments, both within India and across the world.

Opportunities and Threats:

The Government has launched various support schemes and policies for the textiles industry to enhance its global competitiveness. These schemes focus on export promotion, infrastructure development, and technology upgradation, among other areas. These initiatives aim to provide necessary support to the companies within the textiles industry, while empowering them to enhance their global competitiveness.

Accelerated reopening of activities have re-opened opportunities for the textile market which were quiet for a long time. Further, China plus one policy by USA and Europe will lead to increase in demand for the Indian Market. With an added advantage of high quality standards, our Company will be forging ahead with its sustainability vision to build potential so as to grab opportunities coming its way.

The current disruptions caused by high fuel costs, port bottlenecks, and inflationary pressures are expected to persist in the near future. These challenges create an opportunity for fashion companies that have local and integrated supply chains to strengthen their position by catering to customer demands in their respective regions of operation.

Currently the biggest threat is the increase in prices of coal, dyes, chemicals, input cost and raw materials which is making the industry non-competitive.

Outlook:

The Company expects to be on a profitable growth momentum. In the Domestic Market, the overall consumer sentiments are positive. The Company is focused on liquidity management through cost reduction initiatives and working capital optimization with an aim of becoming a net debt-free Company in next 3 years.

Risks and Concerns:

The broader trends in the economy are expected to have a direct impact on your Company's growth prospects as well. Inflation is expected to remain elevated for the foreseeable future, driven by war-induced commodity price increases and broadening price pressures.

In these circumstances, the ability to successfully navigate cost pressures would have a significant bearing on the overall performance of your Company. Diminishing purchasing power and demand due to the economic circumstances could result in fundamental shifts in consumer behaviour and adversely impact the market for textiles.

Risk Management

The Company has a comprehensive Risk Management framework for the timely and effective identification, assessment, monitoring and mitigation of potential risks that may impact its business. It has robust mitigation strategies to overcome adverse situations which may arise on account of foreseeable risks. The key risks and their corresponding mitigation measures are depicted below:

The Company operates in diverse markets and is exposed to adverse macroeconomic conditions, country-specific changes to the operating, regulatory and political environment, natural disasters, global health emergencies or civil unrest that may impact consumer demand, disrupt operations, lead to increased operational costs and impact profitability. Geopolitical tensions, supply chain disruptions, higher inflation, monetary tightening and global economic slowdown may reduce consumer spending and impact the growth of the Company.

Mitigation

The Company continually monitors external macroeconomic and regulatory changes and is supported by insights from the treasury and strategy teams into macroeconomic trends. Moreover, it is focussed on increasing its geographical footprint, e-commerce expansion, and producing innovative products to strengthen its position in the market.

The Company's Financial Performance:

The highlights of the Company's financial performance for the year ended 31st March, 2024 is given at the start of the Directors Report.

Internal Control and Management Systems:

Your company has an adequate internal control system. There is a system of continuous internal audit which aims at ensuring effectiveness and efficiency of systems and operations. Your company has the benefit of internal control systems which have been developed over the years and which has ensured that all transactions are satisfactorily recorded and reported and all assets are protected against loss from unauthorised use or otherwise. The process of Internal control and systems, statutory compliance, risk analysis and its management and information technology are taken together to provide a meaningful support to the management process. Also continuous efforts are being made to strengthen the system.

Human Resource and Industrial Relations:

The Company believes that Human Resources play a significant role in achieving its business vision. Hence, the Company continues to invest on hiring the best talent, developing and retaining the available talent to ensure a sustainable talent supply within the organization. The Company provides various opportunities to the employees to develop their skills to take up higher responsibilities in the organization. The Company uses various communication channels to seek employees' feedback about the overall working environment and the necessary tools and resources they need to perform at their best potential. The Company's employee strength stood at 142 as on 31st March, 2024.

Health, Safety and Security Measures:

The Company continues to accord the highest priority to health and safety of its employees and communities it operates in. The Company has been fully committed to comply with all applicable laws and regulations and maintains the highest standard of Occupational Health and Safety and ensures safer plants by conducting safety audits, risk assessments and periodic safety awareness training to employees. We believe in good health of our employees.

Cautionary Statement:

Readers are cautioned that this discussion and analysis contains forward-looking statements that involve risks and uncertainties. The Company undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. Actual results, performances or achievements, risks and opportunities could differ materially from those expressed or implied in these forward-looking statements. Readers are cautioned not to place undue reliance on these forward-looking statements as these are relevant at a particular point of time & adequate restraint should be applied in their use for any decision making or formation of an opinion.

The above discussion and analysis should be read in conjunction with the Company's financial statements included herein and the notes thereto.

32. Directors' Responsibility Statement:

In terms of Section 134(5) of the Companies Act, 2013, in relation to the Audited Financial Statements of your Company for the financial year ended 31st March, 2024, the Board of Directors hereby confirm that:

- a) in the preparation of the annual accounts for the financial year ended 31st March, 2024, the applicable accounting standards read with the requirements set out under Schedule III to the Act have been followed and there are no material departures from the same;

Blue Chip Tex Industries Limited

- b) the Directors have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2024 and of the profit of the Company for the year ended on that date;
- c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) the Directors have prepared the annual accounts on a going concern basis;
- e) the Directors have laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and were operating effectively and
- f) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and such systems are adequate and operating effectively.

33. Disclosure on Insolvency and Bankruptcy Code, 2016:

There are no proceedings initiated / pending against your Company under the Insolvency and Bankruptcy Code, 2016.

34. Acknowledgement:

Your Directors take this opportunity to thank the employees, customers, vendors, investors of the Company and the communities in which the Company operates, for their unstinted co-operation and valuable support extended during the year.

**For and on behalf of the Board of Directors
For Blue Chip Tex Industries Limited**

**Shahin .N. Khemani
Managing Director
DIN: 03296813**

**Rahul .A. Khemani
CFO & Director
DIN: 03290468**

**Place: Mumbai
Date: 07th August, 2024**

"ANNEXURE I"

Form No. MR-3

SECRETARIAL AUDIT REPORT

For the Financial Year ended 31st March, 2024

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

To,
The Members,
Blue Chip Tex Industries Limited,

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Blue Chip Tex Industries Limited, (hereinafter called "the Company")**. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on **31st March, 2024**, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the year ended **31st March, 2024** according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made thereunder;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 **(Not Applicable During Audit Period)**;
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 **(Not Applicable During Audit Period)**;
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 **(Not Applicable During Audit Period)**;
 - (f) The Securities and Exchange Board of India (Registers to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client **(Not Applicable During Audit Period)**;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 **(Not Applicable During Audit Period)** and
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulation, 1998 **(Not Applicable During Audit Period)**

Blue Chip Tex Industries Limited

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

- (i) Secretarial Standards issued by the Institute of Company Secretaries of India (SS-1 & SS-2)
- (ii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. ("SEBI LODR")

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

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board / Committee 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.

Decisions taken by Majority of the Board Members and Committee Members are carried through and proper systems are devised which facilitates capturing and recording the dissenting member's views, if any, as part of the minutes. During the audit period, all the decisions in the Board Meetings and Committee Meetings were carried unanimously.

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

We further report that during the Audit Period there were no specific events/actions having a major bearing on Company's affairs.

**Pramod S. Shah & Associates
Practicing Company Secretaries
Pramod S. Shah-Partner**

**Pramod S. Shah & Associates
Membership No.: FCS 334
C P No.: 3804
UDIN: F000334E000901168**

Place: Mumbai
Date: 20TH June, 2024

Annexure I

To,

The Members

Blue Chip Tex Industries Limited

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

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

Pramod S. Shah & Associates
Practicing Company Secretaries
Pramod S. Shah-Partner

Pramod S. Shah & Associates
Membership No.: FCS 334
C P No.: 3804
UDIN: F000334E000901168

Place: Mumbai
Date: 20TH June, 2024

Blue Chip Tex Industries Limited

“ANNEXURE II”

Form AOC-2

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

Particulars of contracts/arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013:

1. Details of contracts or arrangements or transactions not at arm's length basis: NIL
2. Details of material contracts or arrangements or transactions at arm's length basis:

₹ In Lakhs

Sr. No.	Name of the related party and nature of relationship ¹	Nature of contracts / arrangements / transactions	Duration of contracts/ arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Date(s) of approval by the Board, if any ²	Transaction Value
1.	BSPL*	Insurance charges paid	One Year	Insurance charges paid	N.A.	3.63
2.	BSPL*	Purchase of raw materials & goods	One Year	Purchase of raw materials & goods at arm's length price	N.A.	22,250.35
3.	BSPL*	Purchase of packing materials	One Year	Purchase of packing materials at arm's length price	N.A.	4.71
4.	BSPL*	Purchase of Services	One Year	Purchase of Services at arm's length price	N.A.	2.43
5.	BSPL*	Sale of goods	One Year	Sale of goods at arm's length price	N.A.	3,804.21
6.	BSPL*	Sale of store spares	One Year	Sale of store spares at arm's length price	N.A.	0.806
7.	BSPL*	Sale of packing materials	One Year	Sale of packing materials at arm's length price	N.A.	3.376
8.	BSPL*	Sale of Scrap	One Year	Sale of Scrap at arm's length price	N.A.	44.84
9.	BSPL*	Sale of Plant and Machinery	One Time	Sale of Plant and Machinery at arm's length price	N.A.	9.73

*BSPL- Beekaylon Synthetics Private Limited

Notes:

1. Nature of Relationship – Sister concern where Promoters / Directors having significant control;
2. All Related Party Transactions entered into during the financial year under review, were on an arm's length basis, and in the ordinary course of business and are in compliance with the applicable provisions of the Act.

Prior omnibus approval of the Audit Committee is obtained for the transactions which are repetitive in nature or when the need for these transactions cannot be foreseen in advance.

The Audit Committee and Board of Director's at their respective Meeting held on 25.05.2023, 09.08.2023, 09.11.2023 & 12.02.2024 have noted and reviewed the above mentioned transactions.

3. All transactions with BSPL have been disclosed irrespective of whether they material or not. No advance was paid for any transaction mentioned above.

“ANNEXURE III”

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

1. Brief outline on CSR Policy of the Company:

Blue Chip Tex Industries Limited has framed a CSR Policy in compliance with the provisions of the Companies Act, 2013 and the same is uploaded on the Company's website. The activities and funding are monitored internally by the Board of Directors of the Company. The Company has identified the following fields of operation for spending of expenditure towards CSR:

- a) eradicating hunger, poverty and malnutrition, promoting preventive health care including sanitation and more particularly contribution to the Swach Bharat Kosh set-up by the Central Government for the promotion of sanitation and making available safe drinking water;
- b) promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects;
- c) promoting gender equality, empowering women, setting up homes and hostels for women and orphans; setting up old age homes, day care centers and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups;
- d) ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water including contribution to the Clean Ganga Fund set-up by the Central Government for rejuvenation of river Ganga;
- e) protection of national heritage, art and culture including restoration of buildings and sites of historical importance and works of art; setting up public libraries; promotion and development of traditional arts and handicrafts;
- f) measures for the benefit of armed forces veterans, war widows and their dependents, Central Armed Police Forces (CAPF) and Central Para Military Forces (CPMF) veterans, and their dependents including widows;
- g) training to promote rural sports, nationally recognized sports, paralympic sports and Olympic sports;
- h) contribution to the Prime Minister's national Relief Fund or Prime Minister's Citizen Assistance and Relief in Emergency Situations Fund (PM CARES Fund) or any other fund set up by the Central Government for socio-economic development and relief and welfare of the Scheduled Castes, the Scheduled Tribes, other backward classes, minorities and women;
- i) Contribution to incubators or research and development projects in the field of science, technology, engineering and medicine, funded by the Central Government or State Government or Public Sector Undertaking or any agency of the Central Government or State Government; and
- j) Contributions to public funded Universities; Indian Institute of Technology (IITs); national Laboratories and autonomous bodies established under Department of Atomic Energy (DAE); Department of Biotechnology (DBT); Department of Science and Technology (DST); Department of Pharmaceuticals; Ministry of Ayurveda, Yoga and naturopathy, Unani, Siddha and Homoeopathy (AYUSH); Ministry of Electronics and Information Technology and other bodies, namely Defense Research and Development Organisation (DRDO); Indian Council of Agricultural Research (ICAR); Indian Council of Medical Research (ICMR) and Council of Scientific and Industrial Research (CSIR), engaged in conducting research in science, technology, engineering and medicine aimed at promoting Sustainable Development Goals (SDGs).;
- k) rural development projects;
- l) slum area development;
- m) disaster management, including relief, rehabilitation and reconstruction activities;
- n) such other projects as may be specified by the Central Government from time to time

2. Composition of CSR Committee:

Pursuant to the provision of section 135 (9) of the Companies Act, 2013, the Board of Directors at its Meeting held on 4th August, 2021 dissolved Corporate Social Responsibility (CSR) Committee with immediate effect and adopted new CSR Policy.

3. CSR Policy and CSR projects approved by the board are disclosed on the website of the Company: www.bluechiptexindustrieslimited.com
4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report): Not Applicable

Blue Chip Tex Industries Limited

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any: Not Applicable
6. Average net profit of the Company as per section 135(5) (₹ in Lakhs): 270.80
7. (a) Two percent of average net profit of the Company as per section 135(5) (₹ in Lakhs): 5.41
 (b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: NIL
 (c) Amount required to be set off for the financial year, if any: NIL
 (d) Total CSR obligation for the financial year (7a+7b-7c) (₹ in Lakhs): NIL
8. (a) CSR amount spent or unspent for the financial year:

₹ In Lakhs

Total amount spent for the financial year	Amount Unspent					
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)			
	Amount	Date of transfer	Name of the fund	Amount	Date of transfer	
NIL	NIL	-	NOTE: CSR unspent amount to be transferred to the Fund specified under Schedule VII as per second proviso to section 135(5) in the month of September 2023.		NIL	NIL

- (b) Details of CSR amount spent against ongoing projects for the financial year: NIL
- (c) Details of CSR amount spent against **other than ongoing projects** for the financial year:

₹ In Lakhs

1	2	3	4	5		6	7	8	
Sr. no	Name of the project	Item from the list of activities in schedule VII to the Act	Local Area (Yes / No)	Location of the project		Amount spent for the project	Mode of Implementation – Direct (Yes / No)	Mode of implementation - Through implementing agency	
				State	District			Name	CSR Registration no.
1	-	-	-	-	-	-	-	-	-

- (d) Amount spent in Administrative Overheads: NIL
- (e) Amount spent on Impact Assessment, if applicable: Not Applicable
- (f) Total amount spent for the Financial Year (8b+8c+8d+8e) (₹In Lakhs): NIL
- (g) Excess amount for set off, if any (₹In Lakhs): NIL
9. (a) Details of Unspent CSR amount for the preceding three financial years:

₹ In Lakhs

Sr. no	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6)	Amount spent in the reporting Financial Year	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any			Amount remaining to be spent in succeeding financial years
				Name of the fund	Amount	Date of transfer	
1	2022-23	NIL	9.20	PMCARES *	9.20	27/09/2023	NIL
2	2021-22	NIL	10.00	KVKCT *	10.00	12/01/2022	NIL
3	2020-21	NIL	NIL	PMCARES *	11.31	25/03/2022	NIL
	Total	NIL	NIL		30.51		NIL

* Kishinchand Viroomal Khemani Charitable Trust

* Prime Minister's Citizen Assistance and Relief in Emergency Situations Fund

Annual Report 2023-24

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s): Not Applicable

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year: Not Applicable

11. Specify the reason(s), if the Company has failed to spend two per cent of the average net profit as per section 135(5): Unavoidable circumstances of business.

(NOTE : CSR amount unspent will be transferred to the Fund specified under Schedule VII as per second proviso to section 135(5) in the month of September 2023.

**For and on behalf of the Board of Directors
For Blue Chip Tex Industries Limited**

**Shahin .N. Khemani
Managing Director
DIN: 03296813**

**Rahul .A. Khemani
CFO & Director
DIN: 03290468**

Place: Mumbai

Date: 7th August, 2024

Blue Chip Tex Industries Limited

“ANNEXURE IV”

PART – A

Details pertaining to Remuneration as required u/s 197(12) of the Companies Act, 2013 read with Rule 5 (1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

1. The ratio of remuneration of each Director to the Median Remuneration of the employees (“MRE”) of the Company for the FY 2023-24 and the percentage (%) increase in remuneration of each Director and Key Managerial Personnel (“KMP”) for the same period are under:

₹ In Lakhs

Name of Director / KMP and Designation	Remuneration of Director/ KMP for the Financial Year 2023-24 (1)	% increase in Remuneration in the Financial Year 2023-24 (2)	Ratio of Remuneration of each Director / KMP to MRE (3 = (1) / MRE)
MANAGING DIRECTOR:			
Mr. Shahin .N. Khemani	36.00	NIL	15.25
DIRECTOR:			
Mr. Rahul .A. Khemani	36.00	NIL	15.25
NON-EXECUTIVE, NON INDEPENDENT DIRECTOR:			
Mr. Siddharth .A. Khemani**	Not Applicable		
NON-EXECUTIVE INDEPENDENT DIRECTOR:			
Mr. Rohit .P. Bajaj*	Not Applicable		
Mr. Abhishek .S. Kamdar*	Not Applicable		
Ms. Tanya Singh*	Not Applicable		
KMP:			
Mr. Rahul .A. Khemani- CFO	0.00	0.00	0.00
Mr. Durgesh .S.Shirsate - Company Secretary	5.00	0.00	0.00
Mrs. Meena Jain - Company Secretary	3.67	0.5	1.30

* None of the Directors received any remuneration except sitting fees.

- In the financial year, there was an increase of 1.50 % in the median remuneration of employees;
- There were 142 permanent Employees (Excluding Directors & KMP) on the rolls of the Company as on 31st March, 2024;
- The Company affirms that the remuneration is as per the Remuneration Policy of the Company.

PART - B

Information as required pursuant to Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

1. Top 10 employees (Excluding Directors & Key Managerial Personnel) in terms of Remuneration drawn:

₹ In Lakhs

Sr. no	Name and Age	Designation	Remuneration	% of Equity holding in the Company	Qualification & Experience in years	Date of Commencement of Employment	Last Employment held
1	N Shangameshwaran (57)	GM- Sales & Marketing	15.99	NIL	B.com & PGD- Marketing Management 34 years	01.11.2017	AYM Syntex Ltd
2	Gaurang Das (36)	Asst. Manager – Production	8.88	NIL	B.com 10 years	01.10.2012	Not Applicable
3	Pramod .C. Shukla (56)	Asst. Manager – Production	8.25	NIL	MA 25 years	01.07.2011	Alok Industries
4	Niraj Shivshankar Kaushik	Asst. Manager – Production	7.34	NIL	B.A	01.07.2023	BEEKAYLON SYN PVT LTD
5	Rajanikant .D. Dubey (36)	Accounts Executive	5.52	NIL	M.com 12 years	10.12.2019	Bacardi India Pvt. Ltd.
6	Tasneem Rangel (45)	Sales Executive	5.45	NIL	M.Com 19 years	01.07.2017	Allana Sons
7	Fakirsingh Chandrasingh Rawal (55)	Senior Supervisor Production	5.23	NIL	B.COM	01.10.2016	GARDEN SILK MILL
8	Felix .A. Nunes (58)	Assistant In charge	5.13	NIL	SSC 36 years	01.04.1987	Not Applicable
9	Harbir Singh (49)	Senior Supervisor Production	5.04	NIL	B.A	01.02.2017	Sanathan Textile pvt ltd.
10	Manish Kumar (39)	Export Assistant Manager	5.02	NIL	B SC PGDM International Business 14 Years	01.04.2022	Satkamal Export Pvt Ltd

2. Employees employed throughout the year and were in receipt of remuneration aggregating to not less than ₹01.02 Crore per annum: **Not Applicable;**
3. Employees employed for part of the year and were in receipt of remuneration aggregating to not less than ₹08.50 Lakhs per month: **Not Applicable;**
4. Nature of employment is permanent and terminable by Notice on either side;
5. None of the employees mentioned above is related to any Director or Key Managerial Personnel of the Company;
6. None of the employee is drawing remuneration more than the remuneration drawn by managing director/ whole time director and is holding by themselves or along with their spouse and dependent children, two percent or more of the equity shares of the Company;
7. Terms and conditions of employment are as per Company's Rules.

Blue Chip Tex Industries Limited

“ANNEXURE V” NOMINATION AND REMUNERATION POLICY

1. Introduction:

The Nomination & Remuneration Policy (“Policy”) of Blue Chip Tex Industries Limited (the “Company”) is formulated under the requirements of applicable laws, including the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended (“Listing Regulations”).

The Policy is intended to set out criteria to pay equitable remuneration to the Directors, Key Managerial Personnel (KMP), senior management (as defined below) and other employees of the Company and to harmonise the aspirations of human resources with the goals of the Company.

The Board of Directors of the Company constituted the “Nomination and Remuneration Committee” at its Meeting held on 7th November 2014. This is in line with the requirements under the Companies Act, 2013 (“Act”). This Policy and the Nomination and Remuneration Committee Charter are integral to the functioning of the Nomination and Remuneration Committee and are to be read together.

The Board has authority to reconstitute this Committee from time to time.

2. Objective and Purpose:

The objectives and purpose of this Policy are:

- 2.1. To recommend policy relating to the remuneration of the Directors, Key Managerial Personnel (KMP) and Senior Management to the Board of Directors of the Company (“Board”)
- 2.1. To ensure that the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate the working potential of all the Directors and KMP of the Company;
- 2.2. To ascertain that the relationship of remuneration to performance is clear and meets appropriate performance benchmarks;
- 2.3 To ensure that the remuneration to Directors and KMP of the Company involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals;
- 2.4 To lay down criteria with regard to identifying persons who are qualified to become Directors (Executive/Non-executive/Independent) and persons who may be appointed in Key Managerial positions and to determine their remuneration;
- 2.5 To determine remuneration based on the Company’s size and financial position and trends and practices on remuneration prevailing in peer companies, in the industry;
- 2.6 To carry out evaluation of the performance of Directors, its committees as well as KMP and to provide for reward(s) linked directly to their effort, performance, dedication and achievement relating to the Company’s operations and
- 2.7 To lay down criteria for appointment, removal of Directors and KMP and evaluation of their performance.

3. Definitions:

- a. ‘Act’ means the Companies Act, 2013 and Rules framed there under, as amended from time to time.
- b. ‘Board’ means Board of Directors of the Company.
- c. ‘Committee’ means Nomination and Remuneration Committee of the Company as constituted or Re-constituted by the Board.
- d. ‘Company’ means Blue Chip Tex Industries Limited
- e. ‘Directors’ mean Directors of the Company;
- f. ‘Policy’ means “Nomination and Remuneration Policy.”
- g. Key Managerial Personnel (KMP) means-
 - i) the Managing Director or Chief Executive Officer or manager
 - ii) Whole-time Director
 - iii) the Company Secretary;
 - iv) the Chief Financial Officer; and
 - v) Any other person as defined under the Companies Act, 2013 from time to time.

- vi) Senior Management means officers/personnel of the Company who are members of its core management team. The core management team includes Chief Executive Officer, Managing Director, Whole-time Director, Chief Financial Officer and Company Secretary.

Unless the context otherwise requires, words and expressions used in this Policy and not defined herein but defined in the Companies Act, 2013 and Listing Regulations as may be amended from time to time shall have the meaning respectively assigned to them therein.

4. General:

This Policy is divided in three parts:

Part – A covers the matters to be dealt with and recommended by the Committee to the Board;

Part – B covers the appointment and removal of Directors, KMP and Senior Management; and

Part – C covers remuneration for Directors, KMP and Senior Management

Part – A: Matters to be dealt with, perused and recommended to the Board by the Nomination and Remuneration Committee

The following matters shall be dealt with by the Committee:

- (a) **Size and composition of the Board:** Periodically reviewing the size and composition of the Board to have an appropriate mix of executive and independent Directors to maintain its independence and separate its functions of governance and management and to ensure that it is structured to make appropriate decisions, with a variety of perspectives and skills, in the best interests of the Company.
- (b) **Directors:** Formulate the criteria determining qualifications, positive attributes and independence of a Director and recommend candidates to the Board when circumstances warrant the appointment of a new Director, having regard to qualifications, integrity, expertise and experience for the position.
- (c) **Evaluation of performance:**
- i. Make recommendations to the Board on appropriate performance criteria for the Directors.
 - ii. Formulate the criteria and framework for evaluation of performance of every Director on the Board of the Company.
 - iii. Identify any education programs for the Board to ensure that Non-Executive Directors are provided with adequate information regarding the business, the industry and their legal responsibilities and duties.
- (d) **Remuneration framework and policies:** The Committee is responsible for reviewing and making recommendations to the Board on:
- i. Remuneration of executive Directors to be presented for shareholders' approval including severance, if any.
 - ii. Individual and total remuneration of non-executive Directors and the chairperson (if nonexecutive), including any additional fees payable for membership of Board committees.
 - iii. To consider and determine the Remuneration Policy, based on the performance and also bearing in mind that the remuneration is reasonable and sufficient to attract, retain and motivate members of the Board and Key Managerial Personnel and such other factors as the Committee shall deem appropriate.

PART – B: Policy for appointment and removal of Directors, KMP and Senior Management

(a) Appointment criteria and qualifications:

- i. The Committee shall ascertain the integrity, qualification, expertise and experience of the person identified for appointment as Director, KMP or Senior Management and recommend to the Board his/her appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the position.
- ii. A person to be appointed as Director, KMP or Senior Management should possess adequate qualification, expertise and experience for the position he / she is considered for.
- iii. A person, to be appointed as Director, should possess impeccable reputation for integrity, reasonable expertise and insights in sectors / areas relevant to the Company, ability to contribute to the Company's growth and complementary skills in relation to the other Board members.
- iv. The Company shall not appoint or continue the employment of any person as Managing Director / Whole-Time Director or Manager who has attained the age of seventy years and shall not appoint or continue the employment

Blue Chip Tex Industries Limited

of Independent Director/Non-Executive Director who has attained the age of seventy-five years. Provided that the term of the person holding this position may be extended at the discretion of the committee beyond the age of seventy years/seventy-five years with the approval of shareholders by passing a special resolution based on the explanatory statement annexed to the notice for such motion indicating the justification for extension of appointment beyond seventy years/seventy-five years as the case may be.

- v. A whole-time KMP of the Company shall not hold office in more than one Company except in its subsidiary Company at the same time. However, a whole-time KMP can be appointed as a Director in any Company, with the permission of the Board of Directors of the Company.

(b) Term / Tenure:

- i. **Managing Director / Whole-time Director / Manager:** The Company shall appoint or re-appoint any person as its Managing Director, Whole-Time Director or Manager for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.
- ii. **Independent Director:** An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.

No Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director. Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly. At the time of appointment of Independent Director, it should be ensured that number of Boards on which such Independent Director serves, is restricted to applicable regulations in force

(c) Removal:

Due to reasons for any disqualification mentioned in the Companies Act, 2013, rules made thereunder or under any other applicable Act, rules and regulations, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director, KMP or Senior Management subject to the provisions and compliance of the said Act, rules and regulations.

(d) Retirement:

The Directors, KMP and Senior Management shall retire as per the applicable provisions of the Companies Act, 2013 and the prevailing policy of the Company. The Board will have the discretion to retain the Directors, KMP and Senior Management in the same position / remuneration or otherwise, even after attaining the retirement age, for the benefit of the Company.

PART – C: Policy relating to the remuneration for Directors, KMP and Senior Management

(a) General:

- i. The remuneration / compensation / commission etc. to be paid to Directors will be determined by the Committee and recommended to the Board for approval.
- ii. The remuneration and commission to be paid to the Managing Director/Whole-time Director shall be in accordance with the provisions of the Companies Act, 2013, and the rules made thereunder.
- iii. Increments to the existing remuneration / compensation structure may be recommended by the Committee to the Board which should be within the limits approved by the Shareholders.
- iv. Where any insurance is taken by the Company on behalf of its Directors, KMP and Senior Management for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel. Provided that if such person is proved to be guilty, the premium paid on such insurance shall be treated as part of the remuneration.

(b) Remuneration to Directors, KMP and Senior Management:

The Committee shall ensure that the Remuneration payable to Directors, Key Managerial Personnel and Senior Management shall be paid after complying with the provisions of Section 197 and Schedule V and such other applicable provisions of the Companies Act, 2013.

(c) Minimum remuneration to Whole-time Directors:

If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Whole-time Directors in accordance with the provisions of Schedule V of the Companies Act, 2013.

(d) Remuneration to Non-Executive / Independent Directors:

Non- Executive / Independent Director may receive remuneration by way of sitting fees for attending Meetings of Board or Committee thereof. Provided that amount of fees shall not exceed ₹ One Lakh per Meeting of the Board and Committee or such amount as may be prescribed by the Central Government from time to time.

5. Members of the Committee & its Meetings:

- a. Members of the Committee shall be appointed by the Board with a minimum of three Non-Executive Directors out of which not less than one-half shall be Independent Director.
- b. The Chairman of the Committee may be elected by Board or be elected by members of the Committee amongst themselves who shall be an Independent Director. In the absence of the Committee's Chairman, the remaining members present shall elect one of themselves to chair the Meeting.
- c. Only members of the Committee have the right to attend and vote at the Committee Meetings and any other person required to attend the Meeting will have no right to vote.
- d. The Chairman of the Committee or in his absence, any other member of the Committee authorised by him in this behalf shall attend the general Meetings of the Company.
- e. The Committee shall meet at such times so as to enable it to carry out its powers, functions, roles & responsibilities

6. Minutes of Committee Meetings:

Proceedings of all the Meetings are recorded and signed by the Chairman of the said Meeting or by the Chairman of the next succeeding Meeting. Minutes of the Committee Meeting are tabled at the Meeting of the Board and entered in the Minutes binder.

7. Policy Review:

- a. This Policy is framed based on the provisions of the Companies Act, 2013 and rules thereunder and the requirements of Listing Regulations with the Stock Exchanges.
- b. In case of any subsequent changes in the provisions of the Companies Act, 2013 or any other regulations which makes any of the provisions in the policy inconsistent with the Act or regulations, then the provisions of the Act or regulations would prevail over the policy and the provisions in the policy would be modified in due course to make it consistent with law.
- c. This policy shall be reviewed by the Nomination and Remuneration Committee as and when any changes are to be incorporated in the policy due to change in regulations or as may be felt appropriate by the Committee. Any changes or modification to the policy as recommended by the Committee would be placed before the Board of Directors for their approval.

Blue Chip Tex Industries Limited

INDEPENDENT AUDITOR'S REPORT To The Members of Blue Chip Tex Industries Limited Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying Financial Statements of Blue Chip Tex Industries Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2024, 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 (hereinafter referred to as "Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, and its Profit including Other Comprehensive Income, changes in equity and its cash out flows for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, 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 that there are no key audit matters to communicate in our report.

Other Information

The Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the financial statements and our auditors' report thereon. The aforesaid other information is expected to be made available to us after the date of this report.

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.

We have been informed that other information will be adopted by the Board of Directors at a later date and we will report, if other information so adopted is materially inconsistent with the financial statements.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

The Company's Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these Financial Statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under section 133 of the Act. 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 Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Financial Statements, the Board of Directors 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

As part of an audit in accordance with Standards on Auditing, we exercise professional judgment and maintain professional scepticism throughout the audit.

We also:

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

Materiality is the magnitude of misstatements in the Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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 Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' 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 Act, we give in the "**Annexure A**" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 197(16) of the Act, we report that the company has paid remuneration to its directors during the year in accordance with the provisions of the limits laid down under Section 197 read with Schedule V of the Act.
3. As required by Section 143(3) of the Act, based on our audit, 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.

Blue Chip Tex Industries Limited

- (c) The Balance Sheet, the Statement of Profit and Loss including Statement of Other Comprehensive income, the Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid Financial Statements comply with the Indian Accounting Standards specified under Section 133 of the Act.
- (e) On the basis of the written representations received from the directors as on March 31, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164(2) of the Act.
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in “**Annexure B**”.
- (g) 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:
- i. The Company has disclosed the impact of pending litigation on its financial position in its Financial Statements as referred to in Note 32 to the Financial Statements.
 - ii. The Company did not have any long term contracts including derivatives contracts for which there were any material foreseeable losses.
 - iii. During the year there has been delay in transferring the unpaid dividend amount and the same has deposited before 31st March 2024 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 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 persons or entities, 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 identified in any manner whatsoever by or on behalf of the Company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
 - b) The management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any persons or entities, including foreign entities (“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; and
 - c) Based on such audit procedures that were 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.
 - a) In respect of the dividend declared during the year and paid by the Company, the provisions of Section 123 of the Act were complied with.
 - b) The Board of Directors of the Company have not yet recommended dividend for the year.
 - vi. Based on our examination, which included test checks carried out on software’s application level and review of information and explanations given to us, the company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility at application level and the same has operated throughout the year for all relevant transactions recorded in the accounting software. Further, during the course of our audit, we did not come across any instances of the audit trail feature being tampered with.

As proviso to rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from 1st April, 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended 31st March 2024.

For **D K P & Associates**
Chartered Accountants
Firm’s Registration No. 126305W

Deepak Doshi
Partner
Membership No. 037148
UDIN: 24037148BKBNUK6869

Place: Mumbai
Date: May 29, 2024

“ANNEXURE A” TO THE INDEPENDENT AUDITOR’S REPORT ON THE FINANCIAL STATEMENTS OF BLUE CHIP TEX INDUSTRIES LIMITED

(Referred to in Paragraph 1 under the heading of “Report on Other Legal and Regulatory Requirements” section of our report of even date)

- i. (a) In respect of Property, Plant and Equipment
 - The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
 - The Company has maintained proper records showing full particulars of intangible assets.
 - (b) As explained to us, all the Property, Plant and Equipment have been physically verified during the year by the management in a phased periodical manner, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such physical verification.
 - (c) According to the information and explanations given to us, the records examined by us and based on the examination of the conveyance deeds provided to us, we report that the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date. In respect of immovable properties of land and building that have been taken on lease, the lease agreement is in the name of the Company.
 - (d) According to information and explanations given to us and on the basis of our examinations of the records of the Company, the Company has not revalued any of its Property, Plant and Equipment or intangible assets during the year.
 - (e) According to information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceeding initiated during the year or are pending against the Company as at March 31, 2024 for holding any benami property under the Prohibition of Benami Transactions (Prohibition) Act, 1988 and rules made there under.
- ii. (a) As explained to us, the inventory has been physically verified by the management during the year and no discrepancies of 10% or more in aggregate for each class of inventory were noticed in respect of such physical verification. In our opinion, the frequency of verification by the management is reasonable and the coverage and procedure for such verification is appropriate.
 - (b) As disclosed in Note 36 [4] to the Financial Statements, the Company has been sanctioned working capital limits in excess of Rs.5 crores in aggregate from bank during the year on the basis of security of current assets of the Company. Bank has intimated to discontinue the practice of submitting Financial follow up report / statement from 31st December, 2022 quarter ending and thereafter and accordingly the Company is not required to submit the quarterly statements.
- iii. According to the information and explanations given to us and on the basis of our examination of the records, during the year, the Company has not made any investments, provided guarantee or security or granted any loans or advances in nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Companies Act, 2013.

Hence, reporting under clauses 3(iii)(a) to 3(iii)(f) of the Order is not applicable.
 - iv. According to the information and explanations given to us, the Company has not granted any loans, or provided any guarantees or security to directors or to any other person in whom the directors is interested. In respect of the investments made by the Company, provision of Section 186 of the Companies Act, 2013 have been complied with.
 - v. According to the information and explanations given to us, the Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of provisions of sections 73 to 76 or any other relevant provisions of the Act and the rules framed thereunder. Hence, reporting under clause 3(v) of the Order is not applicable to the Company.
 - vi. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014 prescribed by the Central Government under Section 148(1) of the Act and are of the opinion that, prima facie, the prescribed accounts and cost records have been maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
 - vii. In respect of Statutory dues:

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- a. According to the records of the Company, undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, Goods and Service Tax, service tax, duty of Customs, duty of excise, value added tax, Cess and any other statutory dues have been generally regularly deposited with appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues, were outstanding as at March 31, 2024 for a period of more than six months from the date they becoming payable.
- b. According to the information and explanations given to us, there are no dues of provident fund, employees' state insurance, income tax, sales tax, Goods and Service Tax, service tax, duty of Customs, duty of excise, value added tax, Cess and any others statutory dues which have not been deposited on account of any dispute as on March 31, 2024 , except for income tax dues as follows;

Sr No.	Assessment Year	Amount in lakhs	Forum where dispute is pending
1	2022-23	3.90	Intimation under Section 143(1) is received and filing of rectification by Company is under process.
	Total	3.90	

- viii. According to information and explanations given to us and on the basis of our examination of the records of the Company, there were no transaction relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 during the year.
- ix. According to the information and explanations given to us and based on our audit procedures, and in our opinion:
- (a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.
- (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or government authority.
- (c) The Company has not raised any term loans during the year and hence reporting under clause 3(ix)(c) of the Order is not applicable.
- (d) On an overall examination of the balance sheet of the Company, we are of the opinion that funds raised on short term basis have not been utilised for long term purposes.
- (e) & (f) The Company did not have any subsidiaries, joint ventures or associates during the year ended March 31, 2024. Hence reporting under clause 3(ix)(e) and (f) is not applicable.
- x. (a) Based on our audit procedures and examination of records of the Company, the Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) during the year. Hence, reporting under clause 3(x)(a) of the Order is not applicable.
- (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 convertible debentures (fully, partially or optionally convertible) during the year. Hence, reporting under clause 3(x)(b) of the Order is not applicable to the Company.
- xi. (a) In our opinion, based on the audit procedures performed for the purpose of reporting the true and fair view of the Financial Statements and as per information and explanations given to us, no fraud by the Company or no material fraud on the Company has been noticed or reported during the year.
- (b) According to information and explanations given to us, no report under sub section (12) of section 143 of the Companies Act,2013 has been filed, during the year, by cost auditor / secretarial auditor or by us in Form ADT-4 as prescribed under Rule13 of Companies (Audit and Auditors) Rules,2014 with the Central Government during the year.
- (c) As represented by the Management to us, there are no whistle blower complaints received by the Company during the year.
- xii. According to information and explanations given to us, the Company is not a Nidhi Company as per the provisions of the Companies Act 2013. Hence, reporting under clause 3(xii) (a), (b) and (c) of the Order is not applicable to the Company.
- xiii. In our opinion and according to information and explanations provided by the management, transactions with related parties are in compliance with sections 177 and 188 of the Companies Act 2013, where applicable, and the details of the related parties transactions have been disclosed in the note to the Financial Statements, as required by the applicable accounting standards.

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- xiv.** (a) Based on the information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with size and nature of its business.
- (b) We have considered the internal audit reports issued to the Company during the year, for the period under audit.
- xv.** In our opinion and according to the information and explanations given to us, during the year, the Company has not entered into any non-cash transactions with the directors or persons connected with its directors and covered under section 192 of the Companies Act, 2013 and hence reporting under clause 3 (xv) of the Order is not applicable to the Company.
- xvi.** (a) In our opinion and according to the information and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and hence reporting under clause 3(xvi)(a) of the Order is not applicable to the Company.
- (b) In our opinion, to the best of our knowledge and according to the information and explanations given to us, the Company has not conducted any Non-Banking Financial or Housing Finance activities during the year under review and hence reporting requirement under clause 3(xvi) (b) of the Order is not applicable to the Company.
- (c) In our opinion, to the best of our knowledge and according to the information and explanations given to us, the Company is not a Core Investment Company (CIC) as defined in the regulations made by Reserve Bank of India and hence, reporting requirements under clause 3(xvi) (c) of the Order is not applicable to the Company.
- (d) As represented by the management, the Group does not have any Core Investment Company (CIC) as part of the Group as per the definition of Group contained in the Core Investment Companies (Reserve Bank) Directions, 2016.
- xvii.** The Company has not incurred cash losses in the current financial year and in immediately preceding financial year.
- xviii.** There has been no resignation of the statutory auditors of the Company during the year.
- 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 indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- xx.** (a) The Company has transferred unspent Corporate Social Responsibility (CSR) amount of Rs. 9.20 lakhs for the FY 2022-23, on September 27, 2023 to PM CARES Fund.
- (b) The provision of CSR under the section 135 of the Companies Act, 2013 are not applicable to Company for the year ended March 31, 2024.
- xxi.** The Company does not have any investment in subsidiary or associates or joint venture Companies and accordingly preparation of consolidated financial statement is not applicable to the company and hence reporting under clause 3 (xxi) of the Order is not applicable.

For D K P & Associates
Chartered Accountants
Firm's Registration No. 126305W

Deepak Doshi
Partner
Membership No. 037148
UDIN: 24037148BKBNUK6869

Place: Mumbai
Date: May 29, 2024

Blue Chip Tex Industries Limited

ANNEXURE “B” TO THE INDEPENDENT AUDITOR’S REPORT ON THE FINANCIAL STATEMENTS OF BLUE CHIP TEX INDUSTRIES LIMITED

(Referred to in paragraph 3 (f) under ‘Report on Other Legal and Regulatory Requirements’ of our report of even date)

Report on the Internal Financial Controls with reference to Financial Statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”).

We have audited the Internal Financial Control with reference to Financial Statements **BLUE CHIP TEX INDUSTRIES LIMITED** (“the company”) as of March 31, 2024 in conjunction with our audit of the Financial Statements of the Company for the year then ended.

Management Responsibility for the Internal Financial Controls

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control with reference to Financial Statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) 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 Act.

Auditor’s Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls with reference to Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note issued by ICAI and the Standards on auditing prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. 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 with reference to Financial Statements 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 with reference to Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to Financial Statements included obtaining an understanding of internal financial controls with reference to Financial Statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the Financial Statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system with reference to Financial Statements.

Meaning of Internal Financial Controls over Financial Reporting

A company’s internal financial control with reference to Financial Statements 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 with reference to Financial Statements 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 with reference to Financial Statements, 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 with reference to Financial Statements to future periods are subject to the risk that the internal financial control with reference to Financial Statements

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may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system with reference to Financial Statements and such internal financial controls were operating effectively as at March 31, 2024, based on the internal financial controls with reference to Financial Statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For **D K P & Associates**
Chartered Accountants
Firm's Registration No. 126305W

Deepak Doshi
Partner
Membership No. 037148
UDIN: 24037148BKBNUK6869

Place: Mumbai
Date: May 29, 2024

Blue Chip Tex Industries Limited

Balance Sheet as at 31st March, 2024

₹ In Lakhs

Particulars	Note No.	As at 31 st March, 2024	As at 31 st March, 2023
ASSETS			
Non-Current Assets			
Property, Plant and Equipment	1	1,905.28	2,133.76
Other Intangible Assets	2	0.23	0.33
Financial Assets			
Investments	3	41.95	41.95
Other Financial Assets	4	51.65	47.69
Total Non-Current Assets		1,999.11	2,223.73
Current Assets			
Inventories	5	1,372.11	1,021.50
Financial Assets			
Trade Receivables	6	669.47	1,179.09
Cash and cash equivalents	7a	16.40	277.61
Bank Balances other than cash and cash equivalent	7b	29.10	44.31
Other Financial Assets	8	1.14	1.38
Current tax assets (net of provision)	8a	29.88	-
Other Current Assets	9	45.16	30.13
Total Current Assets		2,163.26	2,554.02
TOTAL ASSETS		4,162.37	4,777.75
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	10	197.55	197.55
Other Equity	11	2,577.78	2,575.62
Total Equity		2,775.33	2,773.17
Liabilities			
Non-Current Liabilities			
Financial Liabilities			
Borrowings	12	208.40	215.17
Provisions	13	18.27	12.06
Deferred Tax Liabilities (Net)	14	156.05	181.54
Total Non-Current Liabilities		382.72	408.77
Current Liabilities			
Financial Liabilities			
Borrowings	15	234.85	791.57
Trade Payables	16		
a) Outstanding Dues of Micro and Small Enterprises		176.06	27.67
b) Outstanding dues of creditors other than Micro and Small Enterprise		447.68	670.68
Other Current Financial Liabilities	17	17.69	18.74
Other Current Liabilities	18	108.49	67.36
Provisions	19	19.55	19.27
Current Tax Liabilities (Net)	20	-	0.52
Total Current Liabilities		1,004.32	1,595.81
Total Liabilities		1,387.04	2,004.58
TOTAL EQUITY AND LIABILITIES		4,162.37	4,777.75

The accompanying Material accounting Policies and notes from an integral part of the financial statements 1 to 41

As per our report of even date
For **D K P & Associates**
Chartered Accountants
Firm Registration No. 126305W

For and on behalf of the Board

Shahin N. Khemani
Managing Director
DIN: 03296813

Rahul A. Khemani
Director - Chief Financial Officer
DIN: 03290468

Deepak Doshi
Partner
Membership No. 037148

Meena Jain
Company Secretary & Compliance Officer
ACS: 64159

Place: Mumbai
Dated: May,29 2024

Place: Mumbai
Dated: May,29 2024

Statement of Profit and Loss for the year ended 31st March, 2024

₹ In Lakhs

Particulars	Note No.	2023-24	2022-23
Income			
Revenue from Operations	21	25,558.33	25,272.40
Other Income	22	37.94	49.82
Total Income		25,596.27	25,322.22
Expenses			
Cost of Materials Consumed	23	21,482.38	20,815.64
Changes in Inventories of Finished Goods	24	(381.00)	(38.49)
Employee Benefits Expense	25	534.94	469.54
Finance Costs	26	45.57	61.25
Depreciation and Amortisation Expense	27	254.92	257.14
Other Expenses	28	3,588.08	3,638.65
Total Expenses		25,524.89	25,203.73
Profit Before Taxes		71.38	118.49
Tax Expenses			
Current Tax for the current year		41.80	48.05
Current Tax - related to earlier years		(0.92)	(4.33)
Deferred Tax		(21.86)	(16.43)
Total Tax Expense		19.02	27.29
Profit for the year		52.36	91.20
Other Comprehensive Income			
Items that will not be reclassified to statement of profit and loss			
(i) Remeasurement gain / (loss) of defined benefit plans		(14.42)	2.81
(ii) Tax expense relating to above		3.63	(0.71)
Total Other Comprehensive Income		(10.79)	2.10
Total Comprehensive Income for the year		41.57	93.30
Earning per equity share of face value of ₹ 10/- each			
(1) Basic (in ₹)		2.66	4.63
(2) Diluted (in ₹)		2.66	4.63
The accompanying Material accounting Policies and notes from an integral part of the financial statements	1 to 41		

As per our report of even date
For **D K P & Associates**
Chartered Accountants
Firm Registration No. 126305W

Deepak Doshi
Partner
Membership No. 037148

Place: Mumbai
Dated: May,29 2024

For and on behalf of the Board

Shahin N. Khemani
Managing Director
DIN: 03296813

Rahul A. Khemani
Director - Chief Financial Officer
DIN: 03290468

Meena Jain
Company Secretary & Compliance Officer
ACS: 64159

Place: Mumbai
Dated: May,29 2024

Statement of Cash Flows for the year ended 31st March, 2024

₹ In Lakhs

Particulars	31.03.2024	31.03.2023
A. Cash flow from Operating Activities		
Profit before Tax as per Statement of Profit and Loss	71.38	118.49
Adjustment for:		
Depreciation and Amortisation	254.92	257.14
Provision for Leave encashment	4.66	1.08
Provision for Gratuity	6.77	6.29
Share of Loss/(Profit) from Partnership Firm	0.14	(1.89)
Loss/(Profit) on sale of property, plant and equipments (net)	(1.97)	0.03
Interest Income	(5.65)	(8.87)
Interest from a Partnership firm	-	(0.05)
Interest Paid to banks and others - Finance Cost	40.22	58.55
Provision for impairment/Doubtful Debts (written back) net	0.23	(7.54)
Bad debts written off	0.11	2.55
Debit balances written off	0.20	1.84
Credit balances written back	(1.60)	(4.41)
Operating Profit before Working Capital Changes	369.41	423.21
Adjustment for:		
(Increase) in Inventories	(350.62)	(24.22)
Decrease/(Increase) in Trade and other receivables	530.40	(197.62)
(Decrease)/Increase in Trade and other payables	(87.34)	64.50
Cash generated in Operations	461.85	265.87
Income taxes paid (net)	(71.29)	(67.77)
Net Cash generated from Operating Activities	(A) 390.56	198.10
B. Cash flow from Investing Activities		
(Contribution to) / Withdrawals from a Firm - net	-	2.75
Proceeds from sale of property, plant and equipments	9.08	1.00
Purchase of property, plant and equipments	(33.44)	(1.44)
(Investment in) proceeds from bank deposits	11.24	(7.04)
Interest Income	5.65	8.87
Net Cash (used in)/generated from Investing Activities	(B) (7.47)	4.14
C. Cash Flow from Financing Activities		
Repayment of Long Term Borrowings	(227.50)	(241.14)
Dividend paid	(40.59)	(58.29)
Interest Paid to banks and others - Finance Cost	(40.22)	(58.55)
Net Cash Used in Financing Activities	(C) (308.31)	(357.98)
Net Increase/Decrease in Cash and Cash Equivalents	(A+B+C) 74.78	(155.74)
Cash and cash equivalents at the beginning of the year	(288.96)	(133.22)
Cash and cash equivalents at the end of the year	(214.18)	(288.96)

Blue Chip Tex Industries Limited

Change in Liability arising from financing activities

₹ In Lakhs

	1 st April, 2023	Cash Flow	31 st March, 2024
Borrowing - Non Current (Refer Note 12)	440.17	(227.50)	212.67
Total	440.17	(227.50)	212.67

	1 st April, 2022	Cash Flow	31 st March, 2023
Borrowing - Non Current (Refer Note 12)	681.31	(241.14)	440.17
Total	681.31	(241.14)	440.17

NOTES TO CASH FLOW STATEMENT

1. The Statement of Cash Flows has been prepared under the “Indirect Method” as set out in Indian Accounting Standards- Ind AS 7 Statement of Cash Flows” issued by the Institute of Chartered Accountants of India.
2. Previous years figures have been re-grouped and re-classified wherever necessary to correspond with the figures of the current year.
3. Figures in brackets are outflows/ deductions.

As per our report of even date
For **D K P & Associates**
Chartered Accountants
Firm Registration No. 126305W

Deepak Doshi
Partner
Membership No. 037148

Place: Mumbai
Dated: May,29 2024

For and on behalf of the Board

Shahin N. Khemani
Managing Director
DIN: 03296813

Meena Jain
Company Secretary & Compliance Officer
ACS: 64159

Place: Mumbai
Dated: May,29 2024

Rahul A. Khemani
Director - Chief Financial Officer
DIN: 03290468

SIGNIFICANT ACCOUNTING POLICIES

A. CORPORATE INFORMATION

Blue Chip Tex Industries Limited (the 'Company') is a public limited company domiciled and incorporated in India under the Indian Companies Act, 1956. The registered office of the company is situated at 63-B, Danudyog Sahakari Sangh Ltd., Village Piparia, Silvassa 396230, (U.T.) Dadra & Nagar Haveli and Corporate Office where the books of Accounts are maintained is situated at Office no. 15 - 17, 1st floor, Maker Chambers III, Jamnalal Bajaj Road, Nariman Point, Mumbai – 400021.

The Company is engaged mainly in manufacturing of polyester texturising yarn. The Company has manufacturing plants in Union Territory of Dadra and Nagar Haveli, India and entire sales in domestic market. The Company is listed on the Bombay Stock Exchange (BSE).

B. MATERIAL ACCOUNTING POLICIES

B.1 Basis for preparation of accounts:

The financial statements are prepared in accordance with Indian Accounting Standards ('Ind AS') notified under Section 133 of the Companies Act, 2013, read together with the Companies (Indian Accounting Standards) Rules, 2015.

The financial statements have been prepared and presented under the historical cost convention, on the accrual basis of accounting except for certain financial assets and financial liabilities that are measured at fair values at the end of each reporting period, as stated in the accounting policies set out below.

The financial statements of the Company have been prepared to comply with the Indian Accounting standards ("Ind As") including the rules notified under the relevant provisions of the Companies Act, 2013 and presentation and disclosure requirements of Division II of Schedule III to the Companies Act 2013 (the Act).

The accounting policies have been applied consistently over all the periods presented in these financial statements.

All assets and liabilities have been classified as current or non-current based on the Company's normal operating cycle for yarn business, as per the criteria set out in the Schedule III to the Act.

The Company's Financial Statements are presented in Indian Rupees, which is also its functional currency, and all values are rounded off to the nearest Lakh unless otherwise stated.

B.2 Summary of Material Accounting Policies

a) (i) Property, Plant and Equipment

- Property, Plant and Equipment are stated at cost of acquisition or construction less accumulated depreciation and accumulated impairment losses, if any. All costs, net of recoverable taxes, including cost of financing till commencement of commercial production are capitalised.
- Gains or losses arising from de-recognition of property, plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.
- Capital work in progress and Capital advances: Cost of assets not ready for intended use, as on the Balance Sheet date, is shown as capital work in progress. Advances given towards acquisition of property, plant and equipment outstanding at each Balance Sheet date are disclosed as Other Non-Current Assets.
- Depreciation on Property, Plant and Equipment is provided using straight line method except furniture and fixtures which are depreciated using written down value method. Depreciation is provided based on the useful life of the Assets as prescribed in Schedule II to the Companies Act 2013, except in respect of Texturizing Machines and Compressors where, based on the certification obtained from the Chartered Engineer, the useful life is taken as 25 years instead of 15 years as prescribed in Schedule II. Useful life taken as 3 years for replaced part of air-compressor instead of 15 years as prescribed in schedule II. Also, Leasehold Land is amortized over the remaining period of lease. Freehold land is not depreciated.
- The residual values, useful lives and methods of depreciation of Property Plant and Equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Blue Chip Tex Industries Limited

(ii) Other Intangible Assets

- Other intangible assets are stated at cost of acquisition less accumulated amortisation.
- Computer Software are amortised at over a period of five years.

b) Investments:

The Company has elected to recognize its non-current investments in group entities at cost. The details of such investments are given in Note 3.

c) Inventories:

Items of inventories are measured at lower of cost and net realisable value after providing for obsolescence, if any. Cost of inventories comprises of all cost of purchase, cost of conversion and other costs, including manufacturing overheads net of recoverable taxes, incurred in bringing them to their respective present location and condition. Items of Inventories are valued as under:

I. Packing Material and Oil :

At cost, on First-in-first-out (FIFO) basis.

II. Raw Materials:

At cost, on FIFO basis or net realisable value, whichever is lower . Raw Materials held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost.

III. Finished Goods (manufactured):

At cost which includes cost of raw materials determined on FIFO basis plus appropriate share of overhead expenses or net realisable value, whichever is lower.

IV. The stock of stores and spares is charged to revenue in the year of purchase and no adjustment is made for such stocks, if any, at the year end.

d) Employee Benefits :

(i) Short term

Short term Employee Benefits are recognised as an expense on accrual basis at the undiscounted amount in the statement of profit and loss of the year in which related service is rendered.

(ii) Defined contribution plans

The eligible employees of the Company are entitled to receive post employment benefits in respect of provident and family pension fund, in which both the employees and the Company make monthly contributions at a specified percentage of the employees' eligible salary (currently 12% of employees' eligible salary). The contributions are made to the Regional Provident Fund Commissioner (RPFC) which are charged to the Statement of Profit and Loss as incurred.

(iii) Defined benefit plans

Post employment and other long term employee benefits are recognised as expense in the statement of profit and loss for the year in which the Employees have rendered services. The expense is recognised at the present value of the amount payable determined using actuarial valuation techniques. Re-measurement of Defined Benefit Plans in respect of post-employment are charged to the Other Comprehensive Income.

e) Tax Expense:

The tax expense for the period comprises current tax and deferred income tax. Tax is recognised in statement of profit and loss, except to the extent that it relates to items recognised in the Other Comprehensive Income or in equity. In this case, the tax is also recognised in Other Comprehensive Income and Equity.

- **Current Tax**

Current tax assets and liabilities are measured at the amount expected to be recovered from or to be paid to the Income Tax authorities, based on tax rates and laws that are enacted at the Balance sheet date.

- **Deferred Tax**

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the Financial Statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The carrying amount of Deferred tax liabilities and assets are reviewed at the end of each reporting period.

f) Revenue Recognition:

Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold and services rendered is net of variable consideration on account of various discounts and schemes offered by the Company as part of the contract

- Revenue from sale of goods is recognised when the goods are despatched to the customers, all significant contractual obligations have been satisfied and the collection of the resulting receivable is reasonably expected. The sales are stated net of returns and related taxes.
- Revenue in respect of insurance or other claims, quantity discount on purchase etc. is recognised only when it is reasonably certain that the ultimate collection will be made.
- Interest Income is recognised on time proportion basis taking into account the amount outstanding and the interest rate applicable.
- Dividend Income is recognised when the Company's right to receive the amount has been established.
- Job work Income is recognised when related services are rendered.

g) Provisions, Contingent liabilities and Contingent assets:

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. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent liabilities are not recognised, but are disclosed in the Notes. Contingent assets are neither recognised nor disclosed in the financial statements.

h) Impairment of Non-Financial Assets – Property, Plant and Equipment and Intangible Assets:

The Company assesses at each reporting date as to whether there is any indication that any Property, Plant and Equipment and intangible assets or group of assets, called Cash Generating Units (CGU) may be impaired. If any such indication exists the recoverable amount of an asset or CGU is estimated to determine the extent of impairment, if any. When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the CGU to which the asset belongs.

An impairment loss is recognised in the Statement of Profit and Loss to the extent asset's carrying amount exceeds its recoverable amount. The recoverable amount is higher of an asset's fair value less cost of disposal and value in use. Value in use is based on the estimated future cash flows, discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and risk specific to the assets.

The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised.

Blue Chip Tex Industries Limited

i) Finance costs:

Borrowing costs consists of interest cost and other borrowing costs that an entity incurs in connection with the borrowing of funds including exchange differences to the extent regarded an adjustment to the borrowing costs.

Borrowing costs directly attributable to the acquisition and construction of an asset that necessarily takes a substantial period of time to get ready for its intended use are capitalised as part of the cost of the respective assets up to the date when such assets are ready for their intended use. The borrowing cost eligible for capitalization is being netted off against any income arising on temporary investment.

All other borrowing costs are charged to the statement of profit and loss for the period for which they are incurred.

J) Government grants:

Grants and subsidies from the government are recognised at their fair value where there is reasonable assurance that the grant will be received and the Company will comply with all attached conditions.

Grants and subsidies, except which relates to Property Plant & Equipment, received from Government is credited to statement of profit and loss in the period for which it relates.

K) Foreign currency transactions and Translation:

Transactions in foreign currencies are recorded at the exchange rate prevailing on the date of transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency closing rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in Statement of Profit and Loss except to the extent of exchange differences which are regarded as an adjustment to interest costs on foreign currency borrowings that are directly attributable to the acquisition or construction of qualifying assets which are capitalised as cost of assets.

Non-monetary items that are measured in terms of historical cost in a foreign currency are recorded using the exchange rates at the date of the transaction. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in Other Comprehensive Income or Statement of Profit and Loss are also recognised in Other Comprehensive Income or Statement of Profit and Loss, respectively).

l) Lease:

As a Lessee: The Company has elected to account for short term leases and leases of low-value assets using the exemption given under Ind AS 116, Leases. Instead of recognising a right-of-use asset and lease liability, the payments in relation to these are recognised as an expense in statement of profit and loss on a straight-line basis over the lease term or on another systematic basis if that basis is more representative of the pattern of the Company's benefit.

m) Research and Development Expenditure:

Revenue expenditure pertaining to research is charged to the Statement of Profit and Loss. Development costs of products are charged to the statement of profit and loss unless a product's technological and commercial feasibility has been established, in which case such expenditure is capitalised.

n) Financial Instruments

l) Financial Assets

1. Initial Recognition and Measurement

All Financial Assets are initially recognized at fair value. Transaction costs that are directly attributable to the acquisition or issue of Financial Assets, which are not at Fair Value through Profit and Loss, are added to the fair value on initial recognition. Purchase and sale of Financial Assets are recognised using trade date accounting. However, trade receivables that do not contain a significant financing component are measured at transaction price.

2. Subsequent Measurement

i. Financial assets measured at amortised cost (AC)

Financial asset is measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

ii. Financial Assets Measured at Fair Value Through Other Comprehensive Income (FVTOCI)

Financial Asset is measured at FVTOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

iii. Financial assets measured at fair value through Profit or Loss (FVTPL)

Financial Asset which is not classified in any of the above categories are measured at FVTPL.

3. Investment In Subsidiaries, Associates and Joint Ventures

The Company has accounted for its investments in group entity at amortised cost less impairment loss (if any).

4. Other Equity Investments

All other equity investments are measured at fair value, with value changes recognised in Statement of Profit and Loss, except for those equity investments for which the Company has elected to present the value changes in 'Other Comprehensive Income'.

5. Impairment of Financial Assets

The Company recognises loss allowances for expected credit losses on:

- financial assets measured at amortised cost;

At each reporting date, the Company assesses whether financial assets carried at amortised cost has impaired and provisions are made for impairment accordingly. A financial asset is 'credit impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

The Company measures loss allowances at an amount equal to lifetime expected credit losses, except for the following, which are measured as 12 month expected credit losses:

- other debt securities and bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

Loss allowances for trade receivables are always measured at an amount equal to lifetime expected credit losses.

12-month expected credit losses are the portion of expected credit losses that result from default events that are possible within 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward looking information.

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II) Financial Liabilities

1. Initial recognition and measurement

All financial liabilities are recognized at fair value and in case borrowings, net of directly attributable cost. Fees of recurring nature are directly recognised in the Statement of Profit and Loss as finance cost.

2. Subsequent measurement

Financial liabilities are carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying value approximate fair value due to the short maturity of these instruments.

III) Derecognition of Financial Instruments

The company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the Financial Asset and the transfer qualifies for derecognition under Ind AS 109. A Financial Liability (or a part of a Financial Liability) is derecognized from the Company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expired.

IV) Offsetting Instruments

Financial Assets and Financial Liabilities are offset and the net amount is presented in the balance sheet when, and only when, the Company has a legally enforceable right to set off the amount and it intends, either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

V) Cash and Cash Equivalents

Cash and cash equivalents for the purpose of presentation in the statement of cash flows comprises of cash on hand, cheque on hand, bank balances in current account, fixed deposits with banks with original maturity of less than 3 months and short term highly liquid investments that are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value.

For the purpose of Cash Flow Statement, cash and cash equivalent includes bank overdraft repayable on demand.

C) CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

The preparation of the Company's Financial Statements requires management to make judgement, estimates and assumptions that affect the reported amount of revenue, expenses, assets and liabilities and the accompanying disclosures. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in next financial year.

1) Depreciation / Amortisation And Useful Lives of Property Plant and Equipment / Intangible Assets

Property, plant and equipment / intangible assets are depreciated / amortised over their estimated useful lives, after taking into account estimated residual value. Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation / amortisation to be recorded during any reporting period. The useful lives and residual values are based on the company's historical experience with similar assets and take into account anticipated technological changes. The depreciation / amortisation for future periods are revised if there are significant changes from previous estimates.

2) Recoverability of Trade Receivable

Judgements are required in assessing the recoverability of overdue trade receivables and determining whether a provision against those receivables is required. Factors considered include assessing the credit rating of the counterparty, the amount and timing of anticipated future payments and any possible actions that can be taken to mitigate the risk of non-payment.

3) Provisions

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability require the application of judgement to existing facts and circumstances, which can be subject to change. The carrying amounts of provisions and liabilities are reviewed regularly and revised to take account of changing facts and circumstances.

4) Impairment of Non-Financial Assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or Cash Generating Units (CGU's) fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transaction are taken into account, if no such transactions can be identified, an appropriate valuation model is used.

5) Impairment of Financial Assets

The impairment provisions for Financial Assets are based on assumptions about risk of default and expected cash loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

D) Recent pronouncements

- Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Company.

Blue Chip Tex Industries Limited

Notes on Financial Statements for the year ended 31st March, 2024

Note 1. Property, Plant and Equipment (At cost)

₹ In Lakhs

DESCRIPTION	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	AS AT 01.04.2023	For the Year		AS AT 31.03.2024	AS AT 01.04.2023	For the Year		AS AT 31.03.2024	AS AT 31.03.2024	AS AT 31.03.2023
		ADDITIONS	DEDUCTIONS			ADDITIONS	DEDUCTIONS			
TANGIBLE ASSETS										
FREE HOLD LAND	44.18	-	-	44.18	-	-	-	-	44.18	44.18
(Refer note 1.1 and 1.2)										
LEASE HOLD LAND	158.89	-	-	158.89	15.42	2.64	-	18.06	140.83	143.47
BUILDINGS (Refer note 1.2)	918.22	0.78	-	919.00	304.29	28.22	-	332.51	586.49	613.93
PLANT AND MACHINERY	2,828.55	31.48	20.19	2,839.84	1,579.75	208.89	13.09	1,775.55	1,064.29	1,248.80
FACTORY EQUIPMENTS	14.25	-	-	14.25	8.90	0.90	-	9.80	4.45	5.35
ELECTRICAL INSTALLATIONS	262.77	-	-	262.77	187.47	13.24	-	200.70	62.07	75.31
COMPUTERS	6.14	1.18	-	7.32	5.11	0.55	-	5.66	1.66	1.03
FURNITURE AND FIXTURES	15.02	-	-	15.02	13.33	0.38	-	13.71	1.31	1.69
TOTAL	4,248.02	33.44	20.19	4,261.27	2,114.26	254.82	13.09	2,355.99	1,905.28	2,133.76
PREVIOUS YEAR	4,248.08	1.44	1.50	4,248.02	1,857.70	257.04	0.47	2,114.26	2,133.76	-
Capital Work in Progress										

1.1 The Company holds 10 (Previous year: 10) Equity shares of face value of Rs.1,000 each in Danudyog Sahakari Sangh Ltd. at Silvassa, Piparia Factory in respect of ownership of Land, cost of which is included in "Land (Free hold)".

1.2 Refer Note No.12.1 and Note No.15.2 for security given.

1.3 The immovable properties of land and buildings which are freehold are held in the name of the Company as of the balance sheet date.

In respect of immovable properties of land and building that have been taken on lease, the lease agreement is in the name of the Company.

1.4 The company has not revalued its Property, Plant and Equipment since the Company has adopted the cost model as its accounting policy for the entire class of property, Plant and Equipment.

1.5 Capital-work-in-progress [CWIP]

The Company do not have Capital-work-in progress at the end of respective year ending 31st March, 2024 and 31st March, 2023

Note 2. Other Intangible Assets

₹ In Lakhs

Description	Gross Block			Amortization			Net Block	
	As at 01.04.2023	For the Year		As at 01.04.2023	For the Year		As at 31.03.2024	As at 31.03.2023
		Additions	Deductions		Additions	Deductions		
Computer Software	0.50	-	-	0.17	0.10	-	0.27	0.33
TOTAL	0.50	-	-	0.17	0.10	-	0.27	0.33
PREVIOUS YEAR	0.50	-	-	0.07	0.10	-	0.17	0.33

2.1 The Company has not revalued its intangible assets since the Company has adopted the cost model as its accounting policy for intangible assets.

2.2 Intangible assets under development

The Company do not have Intangible assets under development at the end of respective year ending 31st March, 2024 and 31st March, 2023.

Blue Chip Tex Industries Limited

Notes on Financial Statements for the year ended 31st March, 2024

₹ In Lakhs

Note	Particulars	As at 31 st March, 2024	As at 31 st March, 2023
3	Non-Current Investments:		
	Investment - Unquoted, amortized at cost		
	(i) In Equity Shares		
	4,18,000 (4,18,000) Equity Shares of Rs.10 each fully paid up of Beekaylon Synthetics Private Limited	41.90	41.90
	(ii) Investment in Capital of Partnership Firm		
	Jay Gee Rayons (Refer Note No.31 and 33)	0.05	0.05
	Aggregate amount of unquoted investments	41.95	41.95
4	Other Non-Current Financial Assets:		
	(i) Security Deposits	1.43	1.43
	(ii) Bank Deposits with more than 12 months maturity [Fixed Deposit Receipts pledged under bank's lien]	50.22	46.26
	Total	51.65	47.69
	CURRENT ASSETS #		
	# Bank has first charge on entire current assets as a primary security for working capital loans (Refer note no. 15)		
5	Inventories (As valued, verified and certified by the management)		
	(i) Raw materials	345.84	384.37
	(ii) Finished goods	975.28	594.29
	(iii) Packing materials and oil	50.99	42.84
	Total	1,372.11	1,021.50
6	Trade Receivables:		
	(i) Secured	-	-
	(i) Unsecured		
	Considered Good#	669.47	1,179.09
	Considered credit impaired	3.64	3.41
		673.11	1,182.50
	Less: Allowance for Doubtful Debts	3.64	3.41
	Total	669.47	1,179.09
6.1 Related Party:			
	#Includes Rs.5.65 Lakhs (Previous Year Rs.9.45 Lakhs) from related party- Beekaylon Synthetics Private Limited [Refer Note No.31]		

Notes on Financial Statements for the year ended 31st March, 2024

6.2 Ageing Schedule

Trade Receivables ageing schedule as at 31.03.2024

Outstanding for following periods from the date of transaction

₹ In Lakhs

Particulars	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	Total
(a) Undisputed Trade Receivables						
(i) considered good	666.21	3.24	0.02	-	-	669.47
(ii) considered doubtful	-	-	0.31	0.11	3.22	3.64
(b) Disputed Trade Receivables						
(i) considered good	-	-	-	-	-	-
(ii) considered doubtful	-	-	-	-	-	-
Total	666.21	3.24	0.33	0.11	3.22	673.11

Trade Receivables ageing schedule as at 31.03.2023

Outstanding for following periods from the date of transaction

₹ In Lakhs

Particulars	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	Total
(a) Undisputed Trade Receivables						
(i) considered good	1,177.36	1.66	0.07	-	-	1,179.09
(ii) considered doubtful	-	-	0.18	1.86	1.37	3.41
(b) Disputed Trade Receivables						
(i) considered good	-	-	-	-	-	-
(ii) considered doubtful	-	-	-	-	-	-
Total	1,177.36	1.66	0.25	1.86	1.37	1,182.50

Blue Chip Tex Industries Limited

Notes on Financial Statements for the year ended 31st March, 2024

₹ In Lakhs

Note	Particulars	As at 31 st March, 2024	As at 31 st March, 2023
7a	Cash and Cash Equivalents:		
	(i) Cash on hand	0.93	0.59
	(ii) Balances with banks - current accounts	4.03	277.02
	(iii) Deposits with banks maturity for less than 3 months	11.44	-
	Sub - Total	16.40	277.61
	Cash and Cash Equivalents as per Cash Flow Statement		
	Cash on hand	0.93	0.59
	Balances with banks - current accounts	4.03	277.02
	Deposit with Bank maturity for less than 3 months	11.44	-
	Working capital loans from bank - overdraft payable on demand	(230.58)	(566.57)
	Cash and Cash Equivalents at the year end	(214.18)	(288.96)
7b	Bank Balances other than cash and cash equivalents:		
	Bank balances in current accounts - unclaimed dividend accounts	17.55	18.74
	Deposits with banks maturity for more than 3 months but less than 12 months	11.55	25.57
	Sub - Total	29.10	44.31
	[Fixed Deposit Receipts pledged under bank's lien]		
	Total (7a+7b)	45.50	321.92
8	Other Financial Assets:		
	Interest Accrued on Deposit with banks	1.14	1.38
	Total	1.14	1.38
8a	Current tax Assets		
	Advance Tax (net of provision for tax)	29.88	-
	Total	29.88	-
8a.1	Advance Tax paid (net of provision for tax)		
	At the start of the year	(0.52)	-
	Charge for the year	(41.80)	-
	Tax related to earlier year	0.91	-
	Tax paid during the year	71.29	-
	At the End of year	29.88	-
9	Other Current Assets:		
	Prepaid Expenses	8.32	6.09
	Advance to Suppliers	0.27	0.22
	Others#	36.57	23.82
	Total	45.16	30.13

Notes on Financial Statements for the year ended 31st March, 2024

₹ In Lakhs

Note	Particulars	As at 31 st March, 2024	As at 31 st March, 2023
10	Equity Share Capital:		
10.1	Authorized Share Capital - 25,00,000 (PY - 25,00,000) Equity Shares of ₹10 each	250.00	250.00
	Total	250.00	250.00
10.2	Issued, Subscribed and Paid up- 19,70,500 (Previous Year - 19,70,500) Equity Shares of ₹ 10 each fully paid up Add: Forfeited Shares	197.05	197.05
		0.50	0.50
	Total	197.55	197.55

10.3 The Company has only one class of issued capital, all the equity shares carry equal rights and obligations including for dividend and with respect to voting .

10.4 The details of Shareholders holding more than 5% shares:

Sr.no	Name of the Shareholder	As at 31 st March, 2024	As at 31 st March, 2023
1	Beekaylon Synthetics Private Limited		
	No. of shares	4,86,188	4,86,188
	%	24.67	24.67
2	Indotex Export House LLP		
	No. of shares	2,08,300	2,08,300
	%	10.57	10.57
3	Sangam Syntwist Textile Private Limited		
	No. of shares	1,62,100	1,62,100
	%	8.23	8.23
4	Investor Education and Protection Fund Authority, Ministry of Corporate Affairs		
	No. of shares	1,38,861	1,39,661
	%	7.05	7.09

10.5	Reconciliation of the number of shares outstanding:	As at 31 st March, 2024	As at 31 st March, 2023
	Number of shares at the beginning of the year	19,70,500	19,70,500
	Shares issued during the year	-	-
	Number of shares at the end of the year	19,70,500	19,70,500

10.6 There were no shares issued pursuant to contracts without payment being received in cash , by way of bonus issue and no shares were bought back in the period of five years immediately preceding the date as at which Balance Sheet is prepared.

10.7 There were no change in Equity Share Capital due to prior period errors.

Blue Chip Tex Industries Limited

Notes on Financial Statements for the year ended 31st March, 2024

₹ In Lakhs

10.8 Disclosure of Shareholding of Promoters

I - Equity Shares held by Promoters at the end of the year 31st March, 2024

Sr. no	Promoter Name	No. of Fully Paid up Equity Shares held	Percentages of Total Shares	Percentage change during the year 2023-24
1	Beekaylon Synthetics Private Limited	4,86,188	24.67	-
2	Sangam Syntwist Textiles Private Limited	1,62,100	8.23	-
3	Ashok K. Khemani	74,690	3.79	-
4	Nand K. Khemani	70,531	3.58	-
5	Rachna A. Khemani	16,495	0.84	-
6	Rahul A. Khemani	67,580	3.43	-
7	Shahin N. Khemani	70,880	3.60	-
8	Siddharth Ashok Khemani	21,140	1.07	-
9	Indotex Export House LLP	2,08,300	10.57	-
10	Setron Textile Mills Private Limited	4,400	0.22	-
	Total	11,82,304	60.00	-

II -Equity Shares held by Promoters at the end of the year 31st March, 2023

Sr. no	Promoter Name	No. of Fully Paid up Equity Shares held	Percentages of Total Shares	Percentage change during the year 2022-23
1	Beekaylon Synthetics Private Limited	4,86,188	24.67	-
2	Sangam Syntwist Textiles Private Limited	1,62,100	8.23	-
3	Ashok K. Khemani	74,690	3.79	-
4	Nand K. Khemani	70,531	3.58	-
5	Rachna A. Khemani	16,495	0.84	-
6	Rahul A. Khemani	67,580	3.43	-
7	Shahin N. Khemani	70,880	3.60	-
8	Siddharth Ashok Khemani	21,140	1.07	-
9	Indotex Export House LLP	2,08,300	10.57	-
10	Setron Textile Mills Private Limited	4,400	0.22	-
	Total	11,82,304	60.00	-

10.9 The Company has no Holding or Subsidiary Companies.

Notes on Financial Statements for the year ended 31st March, 2024

₹ In Lakhs

Note	Particulars	As at 31 st March, 2024	As at 31 st March, 2023
11	Other Equity:		
	Reserves and Surplus		
	(i) Capital Reserve No.1		
	(Central Government Investment subsidy for unit in Backward Area)		
	As per last Balance sheet	25.00	25.00
	(ii) Capital Reserve No.2		
	(Amount forfeited on equity shares warrants)		
	As per last Balance sheet	0.16	0.16
	(iii) Securities Premium		
	(Amount received on issue of equity shares at premium)		
	As per last Balance sheet	33.80	33.80
	(iv) General Reserve		
	(Amount accumulated as General Reserve from Retained Earnings)		
	As per last Balance sheet	58.34	58.34
	(v) Retained Earnings		
	As per last Balance sheet	2,458.31	2,424.13
	Add : Profit for the year	52.36	91.20
	Add : Other Comprehensive Income	(10.79)	2.10
		2,499.89	2,517.43
	Less: Appropriations		
	Dividends on Equity Shares	39.41	59.12
	[Dividends per share Rs 2.00 (Previous year Rs.3.00)]		
	Net retained Earnings after appropriatins	2,460.48	2,458.31
	TOTAL	2,577.78	2,575.62
12	Borrowings:		
	Secured Loan - At amortized Cost:		
	Term Loans from Bank	4.27	231.77
	Less: Current maturities of Term Loan - (refer note no. 15)	(4.27)	(225.00)
		-	6.77
	Unsecured Loans:		
	Loans from related parties (Refer Note No.31)		
	(i) Loan from Directors	48.00	48.00
	(ii) Loan from Other	160.40	160.40
	Total	208.40	215.17

Blue Chip Tex Industries Limited

Notes on Financial Statements for the year ended 31st March, 2024

₹ In Lakhs

12.1 Term loan from Bank Aggregating to Rs.4.27 Lakhs (Previous Year - Rs.231.77 Lakhs) Primary Security: First charge on entire fixed assets of the company, both present and future, and second charge on current assets of the company both present and future.

“**Collateral Security** : Extension of first and exclusive charge on

a) All that piece and parcel of land totally admeasuring about 6924.50 sq.mtrs. Bearing plot no 63B admeasuring 1474.5 sq.mtrs.,plot no.64A(part) admeasuring above 523.00 sq.mtrs. Plot No.68B admeasuring about 1825.50 sq.mtrs and plot no 69 admeasuring about 3102.00 sq.mtrs lying being and situated at Piparia Industrial Estate, Village Aml, Silvassa, Union Territory of Dadra and Nagar Haveli, together with structure standing thereon admeasuring about 1704.23 sq.mtrs “

Exclusive equitable/registered mortgage charge on Land (admeasuring of 3300 sq.mtr) and Building (admeasuring area of appro1491.08 sq.mtrs.on land of 3300 sq.mtrs.) located at 45B Govt.Industrial Estate, Masat, Silvassa and by way of hypothecation on plant and machinery purchased out of additional Term Loan (New Security) owned by the Company.

b) Personal guarantee of the two promoters of the Company.

Repayment Schedule and Rate of Interest of Borrowings referred above:

Loan No.	Floating Rate of Interest	2024-25	2025-26
1	9.50%*	4.27	-
2	9% **	208.40	-

* including Rs. Nil Lakhs (Previous Year Rs.0.90 Lakhs) as prepaid finance charges

** As per Sanction Letter of Term Loan, Repayment of unsecured loan from Directors and Others is subjected to terms and conditions as stipulated in sanction letter.

NOTE	Particulars	As at 31st March 2024	As at 31st March 2023
13	PROVISIONS-NON CURRENT:		
	Provision for Leave Encashment	15.84	12.06
	Provision for Gratuity (Refer Note No.25.1A)	2.43	-
	TOTAL	18.27	12.06
14	Deferred Tax Liabilities (Net)		
	At the start of the year	181.54	197.27
	Charge / (Credit) to statement of profit and loss		
	Related to Property Plant and Equipment	(21.13)	(15.55)
	Related to Disallowances under the Income Tax Act, 1961	(4.36)	(0.18)
	At the end of the year	156.05	181.54
15	BORROWINGS:		
	Secured		
	a) Working Capital Loan at amortized cost		
	- bank overdraft	230.58	566.57
	b) Current Maturities of Long Term Loan (Refer Note No.12)	4.27	225.00
	TOTAL	234.85	791.57

Notes on Financial Statements for the year ended 31st March, 2024

₹ In Lakhs

NOTE	Particulars	As at 31st March 2024	As at 31st March 2023
16	TRADE PAYABLES:		
	a. Dues of micro enterprises and small enterprises *	176.06	27.67
	b. Dues of other than micro enterprises and small enterprises #	447.68	670.68
	TOTAL	623.74	698.35

Includes Rs.103.91 Lakhs (Previous Year - Rs.67.79 Lakhs) payable to a related party - Beekaylon Synthetics Private Limited (Refer Note No.31)

* Dues to Micro, Small and Medium Enterprises as at the year end has been determined on the basis of information available with the Company and relied upon by auditors. The Company has received intimations from some of their vendors regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and disclosure under the said Act is made accordingly.

(i)	Principal amount outstanding (due or not due) remaining unpaid to Micro and Small Enterprises	171.36	25.95
(ii)	Interest due and payable to Micro and Small Enterprises	4.70	1.72
(iii)	Ageing Schedule		

a) Trade Payables ageing schedule as at 31.03.2024

Particulars	Outstanding for following periods from due date of payment						Total
	Un-Billed	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(a) Undisputed Trade Payables							
(i) MSME	4.70	171.36	-	-	-	-	176.06
(ii) Others	120.42	51.23	263.88	3.81	0.85	7.49	447.68
(b) Disputed Trade Payables							
(i) MSME	-	-	-	-	-	-	-
(ii) Others	-	-	-	-	-	-	-
Total	125.12	222.59	263.88	3.81	0.85	7.49	623.74

b) Trade Payables ageing schedule as at 31.03.2023

Particulars	Outstanding for following periods from due date of payment						Total
	Un-Billed	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(a) Undisputed Trade Payables							
(i) MSME	1.72	25.95	-	-	-	-	27.67
(ii) Others	135.70	296.73	225.45	3.13	7.10	2.57	670.68
(b) Disputed Trade Payables							
(i) MSME	-	-	-	-	-	-	-
(ii) Others	-	-	-	-	-	-	-
Total	137.42	322.68	225.45	3.13	7.10	2.57	698.35

Blue Chip Tex Industries Limited

Notes on Financial Statements for the year ended 31st March, 2024

₹ In Lakhs

Particulars	As at 31st March 2024	As at 31st March 2023
17 OTHER CURRENT FINANCIAL LIABILITIES:		
Unclaimed dividend *	17.55	18.74
Due to a firm wherein the Company is a Partner (Refer Note No. 31 and 33)	0.14	-
TOTAL	17.69	18.74
* These figures do not include any amounts due and outstanding to be credited to Investor Education and Protection Fund.		
18 OTHER CURRENT LIABILITIES:		
Statutory dues and others payables	55.48	50.46
Advances received from customers	53.01	16.91
TOTAL	108.49	67.37
19 PROVISIONS:		
Provision for Leave Encashment	2.59	1.71
Provision for Gratuity (Refer Note No.25.1A)	16.96	8.36
Provision for unspent Corporate Social Responsibility (Refer Note No.38)	-	9.20
TOTAL	19.55	19.27
20 CURRENT TAX LIABILITIES[NET]		
Provision for tax (Net of Advance Tax paid)	-	0.52
TOTAL	-	0.52
20.1 Provision for tax (Net of Advance Tax paid)		
At the start of the year	-	24.57
Charge for the year	-	48.05
Tax related to earlier year	-	(4.33)
Tax paid during the year	-	(67.77)
At the End of year	-	0.52
20.2 Income Taxes		
A. The major components of income tax expense for the year are as under:		
(i) Income tax recognised in the Statement of profit and loss		
Current tax:		
In respect of current year	41.80	48.05
In respect of earlier years	(0.92)	(4.33)
Deferred Tax:		
In respect of current year	(21.86)	(16.43)
Income tax expenses recognised in the Statement of profit and loss	19.02	27.29
(ii) Income tax expense recognised in OCI		
Deferred tax expense on remeasurements of defined benefit plans	3.63	(0.71)
Income tax expense recognised in OCI	3.63	(0.71)

Notes on Financial Statements for the year ended 31st March, 2024

₹ In Lakhs

20.2	Income Taxes	Year Ended 31st March 2024	Year Ended 31st March 2023
B.	Reconciliation of tax expense and the the accounting profit for the year is as under		
	Profit before tax	71.38	118.49
	Income tax expense calculated at 25.17%	17.97	29.82
	Tax effect on non-deductible expenses	23.78	18.19
	Effect of Income that is exempted from tax	-	(0.48)
	Others (Including deferred tax)	(22.73)	(20.24)
	TOTAL	19.02	27.29
	Tax expense as per Statement of profit and loss	19.02	27.29
		2023-24	2022-23
21	REVENUE FROM OPERATIONS:		
	(a) Sale of Products		
	Texturised and Twisted Yarn	25,501.15	25,199.07
	(b) Sale of Services		
	Job Work Income	-	13.90
	(c) Other Operating Revenue		
	Sale of Scrap	52.72	54.74
	Sale of Others	4.46	4.69
	TOTAL	25,558.33	25,272.40
21.1	Reconciliation of Revenue from operations with contract price		
	Contract price	25,566.19	25,289.67
	Add: Freight & Insurance Collected	16.73	17.89
	Less: Sales Return	24.01	34.09
	Less: Rebates & Incentives	0.58	1.07
	Total Revenue from operation	25,558.33	25,272.40
22	OTHER INCOME:		
	(a) Interest Income		
	Interest on Deposits with Banks	4.23	4.21
	Interest from Customers	1.42	4.66
	Interest on Investment in Partnership Firm	-	0.05
	TOTAL [a]	5.65	8.92
	(b) Other Non-Operating income		
	Share of Profit from Partnership Firm (Refer note no. 31)	-	1.89
	Subsidy from District Industries Centre (DIC)	28.24	34.59
	Profit on sale of Plant and Equipments (net)	2.44	-
	Miscellaneous Income		
	- Other Income	0.01	0.01
	- Sundry Balances written back	1.60	4.41
	TOTAL [b]	32.29	40.90
	TOTAL [a+ b]	37.94	49.82

Blue Chip Tex Industries Limited

Notes on Financial Statements for the year ended 31st March, 2024

₹ In Lakhs

	2023-24	2022-23
23 COST OF MATERIAL CONSUMED POY - YARN:		
Opening Stock	384.37	395.71
Add: Purchases during the year	21,443.85	20,804.30
Less: Closing Stock	345.84	384.37
TOTAL	21,482.38	20,815.64
24 CHANGES IN INVESTORIES OF FINISHED GOODS:		
Inventories - at close		
Finished Goods	975.28	594.28
Inventories - at commencement		
Finished Goods	594.28	555.79
TOTAL	(381.00)	(38.49)
25 EMPLOYEE BENEFITS EXPENSE:		
(a) Salaries and Wages	509.18	447.59
(Including Rs.72.00 Lakhs (Previous Year Rs.72.00 Lakhs) paid as directors remuneration)		
(b) Contribution to Provident Fund	19.81	18.06
(c) Staff Welfare Expenses	5.95	3.89
TOTAL	534.94	469.54

25.1 As per Indian Accounting standard 19 "Employee benefits", the disclosure as defined are given below

Defined Contribution Plans

During the year, the Company has recognized the following amounts as expense in the Statement of Profit and Loss :

Employer's Contribution to Provident Fund	5.98	5.30
Employer's Contribution to Family Pension Fund	13.04	12.04

A Defined Benefit Plan

As per Ind AS 19 "Employee Benefits", the disclosure of Employee benefits as defined in the Accounting Standard for **Gratuity** are given below:

Assumptions	2023-24	2022-23
Mortality	IALM (2012-14) Urban	IALM (2012-14) Urban
Rate of Discounting	7.21%	7.49%
Rate of Salary increase	5.00%	5.00%
Rate of Employee Turnover	2.00%	2.00%
Mortality Rate After Employment	NA	NA
Change in the Present Value of Projected Benefit Obligation		
Present Value of Benefit Obligation at the Beginning of the year	44.85	41.83
Interest Cost	3.36	2.81
Current service cost	6.15	5.55
Transferred Out/Divestment	(0.36)	-
Benefit Paid Directly by the Employer	-	-
Benefit Paid from the Fund	(8.35)	(5.82)
Actuarial (Gains)/Losses on Obligations - Due to Change in Demographic Assumptions	-	-
Actuarial (Gains)/losses on Obligation - Due to change in financial assumptions	1.45	(0.70)
Actuarial (Gains)/losses on Obligation - Due to experience	12.86	1.17
Present Value of Benefit Obligation at the End of the period	59.96	44.85

Notes on Financial Statements for the year ended 31st March, 2024

₹ In Lakhs

Assumptions	2023-24	2022-23
Change in Fair Value of Plan Assets		
Fair Value of Plan Assets at the beginning	36.49	31.78
Interest Income	2.73	2.08
Employer Contributions	9.80	5.17
Benefit Payments from Plan Assets	(8.35)	(5.82)
Return on plan assets, excluding interest income	(0.11)	3.27
Fair Value of Plan Assets at the end	40.56	36.49
Net liability recognised in the Balance Sheet	19.40	8.36

Components of Defined Benefit Cost recognised in the Statement of Profit and Loss under Employee Benefit Expenses:

Current Service Cost	6.15	5.55
Net Interest Cost	0.63	0.74
Defined Benefit Cost recongnised in the Statement of Profit and Loss	6.78	6.29

Components of Defined Benefit Cost recognised in the Statement of Other Comprehensive Income:

Actuarial (Gain)/Losses on Obligation for the year	14.31	0.47
Return on plan assets, excluding interest income	0.11	(3.27)
Defined Benefit Cost recognised in the Statement of Other Comprehensive Income	14.42	(2.80)

Sensitivity Analysis

Projected Benefit Obligations on Current Assumptions	59.96	44.85
Delta Effect of +1% change in Rate of Discounting	(4.88)	(3.99)
Delta Effect of -1% change in Rate of Discounting	5.79	4.73
Delta Effect of +1% change in Rate of Salary Increase	5.86	4.80
Delta Effect of -1% change in Rate of Salary Increase	(5.02)	(4.11)
Delta Effect of +1% change in Rate of Employee Turnover	1.14	1.04
Delta Effect of -1% change in Rate of Employee Turnover	(1.32)	(1.21)

B Long Term Compensated Absences

Actuarial Assumptions

Mortality	IALM (2012-14) Urban	IALM (2012-14) Urban
Rate of Discounting	7.21%	7.49%
Future Salary increase	5.00%	5.00%
Rate of Employee turnover	2.00%	2.00%

Expenses recognized in the Statement of Profit and Loss

For Leave encashment	4.66	1.08
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These plans typically expose the Company to actuarial risk such as interest rate risk, longevity risk and salary risk.

Interest Rate Risk: A decrease in the bond interest rate will increase the plan liability.

Longevity Risk : The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

Salary Risk : The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

Blue Chip Tex Industries Limited

Notes on Financial Statements for the year ended 31st March, 2024

₹ In Lakhs

	2023-24	2022-23
26 FINANCE COST:		
Interest Expenses		
Interest on Loan and Borrowings from bank at amortised cost	17.91	37.86
Interest on Loans from related parties (Refer note no.31)	18.75	18.75
Other Interest		
Interest to Micro and small enterprise	3.55	1.90
Interest on Late payment of TDS	-	0.03
Interest on Late payment of Suppliers bills	0.01	-
	40.22	58.54
Other Borrowing Costs	5.35	2.71
Total	45.57	61.25
27 DEPRECIATION AND AMORTISATION EXPENSE:		
Depreciation on Property, Plant and Equipment (Refer note no.1)	254.82	257.04
Amortisation on Other Intangible Assets (Refer note no.2)	0.10	0.10
TOTAL	254.92	257.14
28 OTHER EXPENSES:	2023-24	2022-23
(a) Manufacturing expenses		
Packing materials	652.47	733.58
Stores, Spares and Oil consumed	645.74	747.55
Power and fuel	1,259.44	1,257.28
Contract labour charges/Job Charges	372.36	350.50
Repairs to Building	-	24.63
Repairs to Plant and Machinery	19.56	22.87
Repairs to Others	76.41	38.67
Rent - Office	0.45	0.45
Machine Hire Charges	2.65	0.90
Rates and taxes	8.15	8.24
Insurance	15.39	16.63
	<u>3,052.62</u>	<u>3,201.30</u>
(b) Establishment Expenses		
Payment to Auditors [Refer Note No.29]	4.30	4.10
Directors sitting fees	1.05	0.75
Share of Loss from a Partnership Firm	0.14	-
Corporate Social Responsibility [Refer Note Nos. 9,19,38]	-	9.70
Donation	0.13	0.05
Loss on sale of Property Plant and Equipment	0.46	0.03
Miscellaneous expenses	184.62	166.06
	<u>190.70</u>	<u>180.69</u>
(c) Selling and Distribution Expenses		
Brokerage and Commission	298.13	220.10
Allowances / (Reversal) for Credit Impaired	0.23	(7.54)
Bad Debts Written Off	0.11	2.55
Debit Balance Written Off	0.20	1.84
Discount Allowed	12.24	8.34
Freight Charges	33.85	31.37
	<u>344.76</u>	<u>256.66</u>
TOTAL	3,588.08	3,638.65

Notes on Financial Statements for the year ended 31st March, 2024

₹ In Lakhs

	2023-24	2022-23
29 PAYMENT TO AUDITORS AS: (Excluding GST)		
(a) Auditor		
Statutory Audit Fees	3.00	2.80
Tax Audit Fees	0.60	0.60
Limited Review of Quarterly Result	0.30	0.30
(b) Cost Audit Fees	0.40	0.40
TOTAL	4.30	4.10
30 EARNINGS PER SHARE:		
a. Net Profit after tax		
Profit attributable to Equity Shareholders	52.36	91.20
b. Weighted average number of Equity Shares	1,970,500	1,970,500
c. Nominal value of Equity Shares	10	10
d. Earnings per Share (Basic and diluted)	2.66	4.63
31 RELATED PARTY DISCLOSURES:		
a) Name of related parties and description of relationship:		
i. Key Management Personnel (KMP):	Designation:	
Name		
Mr.Shahin N. Khemani	Managing Director	
Mr.Rahul A. Khemani	Executive Director & CFO	
Mrs.Shraddha Teli (Date of Resignation w.e.f. 28.08.2022)	Independent Director	
Mr.Shatrughun Naraindas Jiwnani (Date of Resignation w.e.f. 23.03.2022)	Independent Director	
Mr.Rohit Pradeepkumar Bajaj	Independent Director	
Ms.Tanya Singh (Date of Appointment w.e.f. 21.10.2022)	Independent Director	
Mr.Siddharth A. Khemani	Non-Executive,Non-Independent Director	
Mr.Bhumit Dharod (Date of Resignation w.e.f. 17.02.2023)	Company Secretary & Compliance Officer	
Mr.Durgesh S. Shirsate (Date of Appointment w.e.f. 25.04.2023)	Company Secretary & Compliance Officer	
(Date of Resignation w.e.f. 01.10.2023)		
Mrs.Meena Jain (Date of Appointment w.e.f. 01.11.2023)	Company Secretary & Compliance Officer	
ii. Others		
Beekaylon Synthetics Private Limited	} Entities in which Key Management Personnel have control	
Jay Gee Rayons	} or significant influence	
Mr.Ashok K. Khemani	} Relative of Director	
b) Transactions with related parties :		

Blue Chip Tex Industries Limited

Notes on Financial Statements for the year ended 31st March, 2024

₹ In Lakhs

Sr. No.	Nature of Transactions	Others	Key Management Personnel and Relatives	Total
1	Insurance Premium (Reimbursed) Beekaylon Synthetics Private Limited	3.63 (5.54)	Nil (Nil)	3.63 (5.54)
2	Purchase of raw materials and goods Beekaylon Synthetics Private Limited	22,250.35 (21,058.21)	Nil (Nil)	22,250.35 (21,058.21)
3	Purchase of oil Beekaylon Synthetics Private Limited	Nil (0.22)	Nil (Nil)	Nil (0.22)
4	Purchase of Stationery Beekaylon Synthetics Private Limited	Nil (0.02)	Nil (Nil)	Nil (0.02)
5	Purchase of Packing Material Beekaylon Synthetics Private Limited	4.71 (3.25)	Nil (Nil)	4.71 (3.25)
6	Repairs to Machinery,Others Beekaylon Synthetics Private Limited	2.43 (0.74)	Nil (Nil)	2.43 (0.74)
7	Sale of Finished Goods (YARN) Beekaylon Synthetics Private Limited	3,804.22 (2,822.50)	Nil (Nil)	3,804.22 (2,822.50)
8	Sale of Store Spares Beekaylon Synthetics Private Limited	0.81 (2.37)	Nil (Nil)	0.81 (2.37)
9	Sale of Job Work Beekaylon Synthetics Private Limited	Nil (14.59)	Nil (Nil)	Nil (14.59)
10	Sale of Packing Materials Beekaylon Synthetics Private Limited	3.38 (2.71)	Nil (Nil)	3.38 (2.71)
11	Sale of Scrap Beekaylon Synthetics Private Limited	44.84 (45.15)	Nil (Nil)	44.84 (45.15)
12	Sale of Property Plant & Equipment - Plant and Machinery Beekaylon Synthetics Private Limited	9.73 (1.18)	Nil (Nil)	9.73 (1.18)
13	Remuneration to Director Rahul A. Khemani	Nil (Nil)	36.00 (36.00)	36.00 (36.00)
	Shahin N. Khemani	Nil (Nil)	36.00 (36.00)	36.00 (36.00)
14	Remuneration to Company Secretary Bhumit Mahendra Dharod	Nil (Nil)	Nil (6.28)	Nil (6.28)
	Durgesh Shamkant Shirsate	Nil (Nil)	1.64 (0.33)	1.64 (0.33)
	Meena Bharat Jain	Nil (Nil)	3.28 (Nil)	3.28 (Nil)

Notes on Financial Statements for the year ended 31st March, 2024

Sr. No.	Nature of Transactions	Others	Key Management Personnel and Relatives	Total
15	Director Sitting Fees Shraddha Teli	Nil (Nil)	Nil (0.10)	Nil (0.10)
	Rohit Pradeepkumar Bajaj	Nil (Nil)	0.25 (0.20)	0.25 (0.20)
	Siddharth A. Khemani	Nil (Nil)	0.25 (0.20)	0.25 (0.20)
	Abhishek S kamdar	Nil (Nil)	0.25 (Nil)	0.25 (Nil)
	Tanya Singh	Nil (Nil)	0.30 (Nil)	0.30 (Nil)
16	Interest Expenses incurred on unsecured loan taken Ashok K Khemani	Nil (Nil)	9.00 (9.00)	9.00 (9.00)
	Shahin N. Khemani	Nil (Nil)	4.32 (4.32)	4.32 (4.32)
	Jay Gee Rayons	5.44 (5.44)	Nil (Nil)	5.44 (5.44)
17	Gratuity (Reimbursed) Beekaylon Synthetics Private Limited	0.36 (Nil)	Nil (Nil)	0.36 (Nil)
18	Interest Received from Partnership Firm Jay Gee Rayons	Nil (0.05)	Nil (Nil)	Nil (0.05)
19	Share of Profit from Partnership Firm Jay Gee Rayons	Nil (1.89)	Nil (Nil)	- (1.89)
20	Share of Loss from Partnership Firm Jay Gee Rayons	0.14 (Nil)	Nil (Nil)	0.14 (Nil)
21	Capital Withdrawal from Partnership Firm Jay Gee Rayons	Nil (2.75)	Nil (Nil)	Nil (2.75)
22	Investment in Partnership Firm at year end Jay Gee Rayons	0.05 (0.05)	Nil (Nil)	0.05 (0.05)
23	Balance Payable at year end Jay Gee Rayons	0.14 (Nil)	Nil (Nil)	0.14 (Nil)
24	Balance Recoverable /Receivable at year end Beekaylon Synthetics Private Limited	5.65 (9.45)	Nil (Nil)	5.65 (9.45)
25	Balance Payable at year end Beekaylon Synthetics Private Limited	103.55 (67.79)	Nil (Nil)	103.55 (67.79)

Blue Chip Tex Industries Limited

Notes on Financial Statements for the year ended 31st March, 2024

₹ In Lakhs

Sr. No.	Nature of Transactions	Others	Key Management Personnel and Relatives	Total
26	Loan payable to Directors and Other- at year end			
	Ashok K Khemani	Nil	100.00	100.00
		(Nil)	(100.00)	(100.00)
	Shahin N. Khemani	Nil	48.00	48.00
		(Nil)	(48.00)	(48.00)
	Jay Gee Rayons #	60.40	Nil	60.40
	# Firm wherein Partners are the shareholders of the Company	(60.40)	(Nil)	(60.40)

- 31.1 Related party relationship is as identified by the management and relied upon by the Auditors.
 31.2 Previous year figures are given in brackets.
 31.3 Amount includes GST wherever applicable
 31.4 Related party transactions were made on term equivalent to those that prevail in an arm's length transactions.

	2023-24	2022-23
	Rs. In Lakhs	Rs. In Lakhs
32 CONTINGENT LIABILITIES AND COMITMENTS:		
(To the extent not provided for)		
(i) Disputed Income Tax Liabilities/Demand :	3.90	4.82
(ii) Outstanding Bank Guarantee	244.40	172.00
33 PARTICULARS ABOUT INVESTMENT IN PARTNERSHIP FIRM:		
Name of the Firm - Jay Gee Rayons		
(Based on Management certified financial statement of Partnership firm)		

Name of the Partners	As at 31.03.2024			
	Fixed Capital Account	Current Capital Account	Total Capital Account	Share of Profit/Loss of each Partner
	Rs.	Rs.	Rs.	
M/s.Beekaylon Synthetics Private Limited	0.050	(0.16)	(0.11)	10%
M/s.Bluechip Tex Industries Ltd.	0.045	(0.14)	(0.10)	9%
M/s.Indotex Export House LLP	0.045	(0.14)	(0.10)	9%
M/s.Sangam Syntwist Textile Private Limited	0.045	102.86	102.91	9%
Mr. Nand K. Khemani	0.045	(0.28)	(0.24)	9%
Mr. Ashok K. Khemani	0.045	(0.04)	0.01	9%
Mr. Rahul A. Khemani	0.045	(0.28)	(0.24)	9%
Mr. Siddharth A. Khemani	0.045	(0.25)	(0.21)	9%
Mr. Shahin N. Khemani	0.045	(0.28)	(0.24)	9%
Mrs. Nitika S. Khemani	0.045	(0.27)	(0.23)	9%
Mrs. Rishma R. Khemani	0.045	(0.27)	(0.23)	9%
Total	0.50	100.75	101.25	

Annual Report 2023-24

Name of the Partners	As at 31.03.2023			
	Fixed Capital Account	Current Capital Account	Total Capital Account	Share of Profit/Loss of each Partner
	Rs.	Rs.	Rs.	
M/s.Beekaylon Synthetics Private Limited	0.050	(142.25)	(142.20)	10%
M/s.Bluechip Tex Industries Ltd.	0.045	-	0.05	9%
M/s.Indotex Export House LLP	0.045	141.85	141.90	9%
M/s.Sangam Syntwist Textile Private Limited	0.045	97.17	97.22	9%
Mr. Nand K. Khemani	0.045	(0.13)	(0.09)	9%
Mr. Ashok K. Khemani	0.045	0.09	0.14	9%
Mr. Rahul A. Khemani	0.045	(0.13)	(0.09)	9%
Mr. Siddharth A. Khemani	0.045	(0.11)	(0.07)	9%
Mr. Shahin N. Khemani	0.045	(0.13)	(0.09)	9%
Mrs. Nitika S. Khemani	0.045	(0.13)	(0.09)	9%
Mrs. Rishma R. Khemani	0.045	(0.13)	(0.09)	9%
Total	0.50	96.10	96.60	

34 Previous year's figures have been regrouped and reclassified, wherever necessary, to correspond with those of the current year.

35 The company's main business segment is manufacturing of polyester texturised yarn and sale in the domestic market. Hence, there are no separate reportable segments as per Ind AS 108 "Operating Segment". Revenue from one customer contributed Rs.3,442.34 Lakhs (i.e. 10% or more) to the Company's revenue for 2023-24 and revenue from one customer contributed Rs.2,580.87 Lakhs (i.e. 10% or more) to the Company's revenue for 2022-23.

Blue Chip Tex Industries Limited

Notes on Financial Statements for the year ended 31st March, 2024

36. Additional Regulatory Information

- 1 Fair Value of Investment Property
The Company do not have any Investment Property
- 2 Loans or advances granted to Promoters, Directors, KMPs and Related Parties
The Company has not granted any loan or advance in nature of loan to promoters, directors, KMPs and other related parties that are repayable on demand or without specifying any terms or period of repayment.
- 3 Details of Benami Property held
There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Transactions Act, 1988 and rules made thereunder.
- 4 Borrowings from banks on the basis of security of current assets
The Company has obtained borrowings from bank on the basis of security of current assets wherein quarterly returns/statements of current assets as filled with the banks, required information as under.

Financial Year ended	Quarter Ended	Name of Bank	Securities [Current Assets]	As per the books of Accounts		As per the Quarterly Return / Statement		Difference (5-6)	Reason for Material difference
				Rs.	5	Rs.	6		
2023-24	2	3	4						
	30-06-2023	Axis Bank Limited	Bank has intimated to discontinue the practice of submitting Financial follow up report (FFR) Statement from December, 2022 quarter ending and thereafter and accordingly Company is not required to submit the quarterly statement						
	30-09-2023	Axis Bank Limited	Same as above						
	31-12-2023	Axis Bank Limited	Same as above						
	31-03-2024	Axis Bank Limited	Same as above						

Notes on Financial Statements for the year ended 31st March, 2024

Financial Year ended	Quarter Ended	Name of Bank	Securities [Current Assets]	As per the books of Accounts	As per the Quarterly Return / Statement	Difference (5-6)	Reason for Material difference
1	2	3	4	5	6	7	8
				Rs.	Rs.	Rs.	
2022-23	30-06-2022	Axis Bank Limited	Inventory	900.08	869.62	30.46	Difference due to Actual Stock Valuation in the books
			Trade Receivables	1098.29	1095.31	2.98	Difference due to accounting of advances received from customers
			Other Current Assets #	370.29	38.18	332.11	Difference due to accounting at finalisation of account
			TOTAL	2368.66	2003.11	365.55	
	30-09-2022	Axis Bank Limited	Inventory	1007.38	899.14	108.24	Difference due to Actual Stock Valuation in the books
			Trade Receivables	827.78	1032.63	(204.85)	Difference due to accounting of advances received from customers
			Other Current Assets #	601.20	556.87	44.33	Difference due to accounting at finalisation of account
			TOTAL	2436.36	2488.64	(52.28)	
	31-12-2022	Axis Bank Limited	Bank has intimated to discontinue the practice of submitting Financial follow up report (FFR) Statement from December, 2022 quarter ending and thereafter and accordingly Company is not required to submit the quarterly statement				
	31-03-2023	Axis Bank Limited	Same as above				

Other Current Assets includes
 Cash and cash equivalents
 Bank Balances other than cash and cash equivalent
 Deposits with banks
 Other financial assets

Blue Chip Tex Industries Limited

Notes on Financial Statements for the year ended 31st March, 2024

₹ In Lakhs

Other current assets

5 Wilful Defaulter

The Company is not declared as wilful defaulter by any bank or financial institution or other lenders.

6 Relationship with struck off Companies

The Company did not have any transactions with Company struck off under section 248 of Companies Act, 2013 or section 560 of Companies Act, 1956, considering the information available with the Company.

7 Registration of charges or satisfaction

The Company does not have charges or satisfaction which is yet to be registered with the Registrar of Companies.

8 Number of Layers of Companies

The Company do not have any parent or subsidiary company and accordingly, the compliance with the number of layers prescribed under clause (87) of section 2 of the Companies Act, 2013 is not applicable for the years under consideration.

9 The ratios for the year ended 31st March, 2024 and 31st March, 2023 are as follows

Sr. No.	Type of ratio	Measured in	Numerator	Denominator	Ratio		% Variance	Reason for variance exceeding 25% Compared to previous year
					2023-24	2022-23		
1	Current ratio	Times	Current assets	Current Liabilities	2.15	1.6	34.38	Current ratio improves due to better management of working capital.
2	Debt-equity ratio	Times	Total Debt (i)	Shareholder Fund	0.16	0.36	(55.56)	Improvement in debt equity ratio resulting from repayment of debt.
3	Debt service coverage ratio	Times	Earning available for debt service (ii)	Debt service (iii)	1.31	1.36	(3.68)	NA
4	Return on equity ratio	%	Net profit after tax - Pref. Dividend	Average shareholders Equity	1.89	3.31	(42.90)	Return on equity ratio decreases due to decline in profitability.
5	Inventory turnover ratio	Times	Cost of goods sold	Average Inventory	31.74	42.75	(25.75)	Inventory Turnover ratio decline due to increase in inventory of Finished Goods at the year end.
6	Trade receivable turnover ratio	Times	Revenue from operations	Average Trade Receivable	27.65	23.53	17.51	NA
7	Trade payables turnover ratio	Times	Net credit purchase	Average Trade Payables	37.81	36.79	2.77	NA
8	Net capital turnover ratio	Times	Revenue from operations	Working capital	22.05	26.37	(16.38)	NA
9	Net profit ratio	%	Net profit after tax	Revenue from operations	0.20	0.36	(44.44)	Net profit ratio unfavourable due to decline in profitability
10	Return on capital employed	%	Earning before interest and taxes	Capital employed	3.20	4.42	(27.60)	Decrease due to decline in profitability
11	Return on investments-unquoted	%	Income earned	Average Investments	(0.33)	4.51	(107.32)	Return on unquoted investments ratio decrease due to loss of the firm.

Note:

[i] Total debt = Non current and current borrowing

[ii] Earnings for debt service = Profit after tax + non cash operating expenses + Interest on term loan

[iii] Debt service = Interest on term loans + Principal repayment of term loan

[iv] Capital Employed = Tangible net worth + Total DEBT + Deferred liabilities

Notes on Financial Statements for the year ended 31st March, 2024

₹ In Lakhs

10 Compliance with approved Scheme of Arrangement

There are no Scheme of Arrangement approved by the Competent Authority in terms of Sections 230 to 237 of the Companies Act, 2013 during the year.

11 Utilisation of Borrowed funds and share premium

a. 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 Company 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 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. No funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("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;

12 Undisclosed Income

The Company do not have any transactions which are not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessment under the Income Tax Act, 1961

13 Details of Crypto Currency or Virtual Currency.

The Company has not traded or invested in Crypto Currency or Virtual Currency during the financial years.

37 Capital Mangement

The Company's policy is to maintain a strong capital base so as to maintain investor , creditor and market confidence and to sustain future development of the business. Management monitors the return on capital, as well as the level of dividends to equity shareholders.

The Company monitors capital using adjusted net debt to equity ratio for the purpose, adjusted net debt is defined as total debt less cash and bank balances.

Gearing ratio

	As at 31st March 2024	As at 31st March 2023
Non-current Borrowings	208.40	215.17
Current Borrowings	234.85	791.57
Gross Debt	443.25	1,006.74
Less: Cash and Cash Equivalent	16.40	277.61
Less: Other Bank Deposits	61.77	71.81
Adjusted Net Debt	365.08	657.32
Total Equity (as per Balance Sheet)	2,775.33	2,773.17
Adjusted Net Debt - Equity Ratio	0.13	0.24

Blue Chip Tex Industries Limited

Notes on Financial Statements for the year ended 31st March, 2024

₹ In Lakhs

38 Corporate Social Responsibility	2023-24	2022-23
a) Unspent / (excess spent) CSR amount of previous years	9.20	(0.50)
b) Gross CSR amount required to be spent by the company for the respective Financial Year	-	9.70
Total CSR amount required to be spent	9.20	9.20
c) Amount Spent during the year		
i) construction and acquisition of assets		
ii) on the Purpose other than (i) above	-	-
- on promoting education #	-	-
iii) Contribution to PM CARES Fund (Being Unspent CSR amount of FY 2022-23 transferred)	9.20	-
Total CSR amount spent during the year	9.20	-
d) Payable (Prepaid- carry forward) at the end of the year	-	9.20
Amount charged to Profit and Loss under the head Corporate Social Responsibility expenses.	-	9.70

39 Financial instruments

The following table provides the fair value measurement hierarchy of the Company's financial assets and liabilities

Particulars	As at 31st March 2024				As at 31st March 2023			
	Carrying Amount	Level of input used in			Carrying Amount	Level of input used in		
		Level 1	Level 2	Level 3		Level 1	Level 2	Level 3
Financial Assets								
Investment*	-	-	-	-	-	-	-	-
Carried at Amortised Cost								
Trade receivable - Net	669.47	-	-	-	1,179.09	-	-	-
Cash and Bank Balances	95.72	-	-	-	368.18	-	-	-
Other financial Assets	32.45	-	-	-	2.81	-	-	-
Financials Liabilities								
Carried at Amortised Cost								
Borrowings	443.25	-	-	-	1,006.74	-	-	-
Trade payables	623.74	-	-	-	698.35	-	-	-
Other financial liabilities	17.69	-	-	-	18.74	-	-	-

* Excludes Financial assets measured at cost (Refer note 3)

Interest Rate Risk

The exposure of the company's borrowing at the end of the reporting period are as follows

Particulars	As at 31st March 2024	As at 31st March 2023
Loans		
Long term Floating Loan	4.27	231.77
Long term Fixed Loan	208.40	208.40
Short term Overdraft	230.58	566.57
Total	443.25	1,006.74

Notes on Financial Statements for the year ended 31st March, 2024

₹ In Lakhs

Interest rate Sensitivity - Impact of interest expenses for the year on 1% change in interest rate

Particulars	As at 31st March 2024*		As at 31st March 2023	
	Up Move	Down Move	Up Move	Down Move
impact on equity	-	-	-	-
impact on profit or loss	-	-	7.53	(7.53)

*No material impact of interest expenses on profit or loss on 1% change in interest rate

Financial Risk Management

The company's activities expose to credit risk, liquidity risk and market risk. The Company senior management oversees the management of these risks.

i) Credit Risk

Credit risk is the risk of financial loss to the Company if a customer or counter party to a financial instruments fails to meet it's financial obligation and such obligation mainly arise from receivables from customers and loans and advances. Credit risk is managed through establishing credit limits and continuously monitoring the credit worthiness of customers.

As at 31st March, 2024 the carrying amount of financial assets exposure to credit risk was Rs.797.64 Lakhs (Rs.1,550.08 Lakhs as at 31st March 2023), being representing balances with banks, short term deposits with banks, trade receivables and other financial assets.

The ageing of trade receivables as of balance sheet date is given below :

Trade Receivables ageing schedule as at 31.03.2024						(Rs.in Lakhs.)
Particulars	Outstanding for following periods from the date of transaction					Total
	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
(a) Undisputed Trade receivables						
(i) considered good	666.21	3.24	0.02	-	-	669.47
(ii) considered doubtful	-	-	0.31	0.11	3.22	3.64
(b) Disputed Trade receivables						
(i) considered good	-	-	-	-	-	-
(ii) considered doubtful	-	-	-	-	-	-
Total	666.21	3.24	0.33	0.11	3.22	673.11

Trade Receivables ageing schedule as at 31.03.2023						(Rs.in Lakhs.)
Particulars	Outstanding for following periods from the date of transaction					Total
	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
(a) Undisputed Trade receivables						
(i) considered good	1,177.36	1.66	0.07	-	-	1,179.09
(ii) considered doubtful	-	-	0.18	1.86	1.37	3.41
(b) Disputed Trade receivables						
(i) considered good	-	-	-	-	-	-
(ii) considered doubtful	-	-	-	-	-	-
Total	1,177.36	1.66	0.25	1.86	1.37	1,182.50

Credit risk from balances with banks is managed by the Company's treasury department. The objective is to minimize the concentration of risks and therefore mitigate financial loss.

Blue Chip Tex Industries Limited

Notes on Financial Statements for the year ended 31st March, 2024

₹ In Lakhs

ii) Liquidity risk

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. 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 and principal source of liquidity are cash and cash equivalents that are generated from business operation.

The Company has obtained term Loans and fund and non fund based working capital loan from bank and others.

Following are the contractual maturities of loans obtained :

Maturity profile of loans as on 31st March 2024

	Below 3 months	3-6 months	6-12 months	1-3 years	3-5 years	Above 5 years	Total
Secured Loan							
Loan from Bank-Long Term*	4.27	-	-	-	-	-	4.27
Loan from Bank-Short Term	230.58	-	-	-	-	-	230.58
Unsecured Loan							
Loan From Directors and Other	-	-	-	208.40	-	-	208.40
Total	234.85	-	-	208.40	-	-	443.25

* Including Rs.Nil Lakhs as prepaid finance charges

Maturity profile of loans as on 31st March 2023

	Below 3 months	3-6 months	6-12 months	1-3 years	3-5 years	Above 5 years	Total
Secured Loan							
Loan from Bank-Long Term*	56.25	56.25	112.50	6.77	-	-	231.77
Loan from Bank-Short Term	566.57	-	-	-	-	-	566.57
Unsecured Loan							
Loan From Directors and Other	-	-	-	208.40	-	-	208.40
Total	622.82	56.25	112.50	215.17	-	-	1,006.74

* Including Rs.0.90 Lakhs as prepaid finance charges

iii) **Market Risk :**

Market risk is the risk of any loss in future earnings, in realizable fair values or of in future cash flows of the Company that may result from change in price of a financial instrument. The value of financial instrument may change as a result of change in interest rates, foreign currency exchange rates.

The Company primarily is exposed to interest rate risk. The Company presently not exposed to exports and imports transactions risk.

Notes on Financial Statements for the year ended 31st March, 2024

40 Audit Trail

The Ministry of Corporate Affairs (MCA) has prescribed a new requirement for Companies under the proviso to Rule3(1) of the Companies (Accounts) Rules, 2014 applicable from April 1, 2023 and in accordance with said requirement.

- a) The Company has maintained proper books of account as prescribed under Section 128(1) of the Companies Act, 2013 (as amended). The books of accounts are maintained in electronic mode using an in house developed accounting software. Back-ups of books of account and other relevant books and papers maintained in electronic mode are kept as per the policy of the Company. The back-up of the accounting system is kept in a server physically located in India and is done on a daily basis.
- (b) The Company has used said accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility at application level and the same has operated throughout the year for all relevant transactions recorded in the software.

Further there were no instances of audit trail feature being tampered with in respect of the said software.

41 Approval of Financial Statement

The Financial Statements were approved for issue by the Board of Directors on May 29, 2024.

As per our report of even date
For **D K P & Associates**
Chartered Accountants
Firm Registration No. 126305W

For and on behalf of the Board

Shahin N. Khemani
Managing Director
DIN: 03296813

Rahul A. Khemani
Director - Chief Financial Officer
DIN: 03290468

Deepak Doshi
Partner
Membership No. 037148

Meena Jain
Company Secretary & Compliance Officer
ACS: 64159

Place: Mumbai
Dated: May,29 2024

Place: Mumbai
Dated: May,29 2024

If Undelivered, please return to :

Blue Chip Tex Industries Limited

Office no. 15/16/17, 1st floor, Maker Chambers III,
Jamnalal Bajaj Road, Nariman Point,
Mumbai - 400 021