

Date: August 26, 2022

To,
BSE LIMITED
P.J. Towers,
Dalal Street,
Mumbai-400001

**Sub.: Notice and Annual Report of the 30th Annual General Meeting
of the Company for the Financial Year 2021-22.**
BSE Scrip Code: 531327

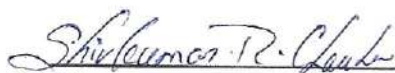
Dear Sir,

Pursuant to Regulation 34(1) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable rules and regulations made there under to comply with the disclosure requirement of Notice of AGM and Annual Report to Bombay Stock Exchange ('BSE'), we are submitting herewith the 30th Annual Report of the Company along with the Notice of Annual General Meeting ("AGM") for the Financial Year 2021-22.

Kindly take note for the same.

Thanking you,

Yours faithfully,
For, CHARMS INDUSTRIES LIMITED



SHIVKUMAR RAGHUNANDAN CHAUDHARY
MANAGING DIRECTOR
(DIN: 00841729)



Encl. : Copy of 30th Annual Report for F.Y. 2021-22 along with Notice of AGM.

30th ANNUAL REPORT 2021-22

CHARMS INDUSTRIES LIMITED
(CIN : L72900GJ1992PLC017494)

CORPORATE INFORMATION

BOARD OF DIRECTORS

- a. Harsad Shantilal Gandhi
(Chairman and Director)
- b. Shivkumar Raghunandan Chauhan
(Managing Director)
- c. Nishit Madhavbhai Rupapara
- d. Nehal Shivkumar Chauhan
- e. Parth Shivkumar Chauhan
- f. Biren Jagdishkumar Thaker
(Chief Financial Officer)

COMPANY SECRETARY AND COMPLIANCE OFFICER

- g. Dileep Panchal

BANKERS

- h. INDIAN OVERSEAS BANK
- i. ICICI BANK
- j. HDFC BANK

REGISTERED OFFICE

108-B/109, Sampada Building,
Mithakhali Six Roads,
Opp-Hare Krishna Complex,
B/H Kiran Motors, Ahmedabad-
380009.

STATUTORY AUDITOR

M/s. Ashit N. Shah & Co.
Chartered Accountants
Ahmedabad

SECRETARIAL AUDITOR

M/s. Vishwas Sharma & Associates
Company Secretaries,

REGISTRAR AND SHARE TRANSFER AGENT

BIGSHARE SERVICES PRIVATE
LIMITED
A-802, Samudra Complex,
Near Klassic Gold Hotel, Off
C.G. Road Navrangpura,
Ahmedabad-380009.

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NOTICE

NOTICE is hereby given that the 30th Annual General Meeting of Charms Industries Limited will be held on Monday, September 19, 2022 at 12:30P.M. at the Registered office of the Company situated at 108-B/109, Sampada Building, Mithakhali Six Roads, Opposite Hare Krishna Complex, Behind Kiran Motors, Ahmedabad- 38000, Gujarat to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements of the Company for the year ended 31st March 2022 and the Reports of the Board of Directors and Auditors thereon.
2. To appoint Director in place of Mr. Parth S. Chauhan (DIN-07571829), who retires by rotation and being eligible, offers himself for re-appointment as a Director of the Company.

For and on behalf of the Board

Place: Ahmedabad

Date: 10/08/2022

**Harsad Shantilal Gandhi
Chairman & Director
(DIN: 01056779)**

IMPORTANT NOTES:

1. The Annual General Meeting (AGM) will be held on Monday, September 19, 2022 at 12.30 p.m. (IST) at the Registered office of the Company at 108-B/109, Sampada Building, Mithakhali Six Roads, Opposite Hare Krishna Complex, Behind Kiran Motors, Ahmedabad- 38000
2. A member entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy/proxies to attend and vote on a poll instead of himself/herself and such proxy/ proxies need not be a member of the company. Duly completed instrument of proxies in order to be effective must be reached the registered office of the Company not less than 48 hours before the scheduled time of the meeting. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than 10% of the total share capital of the Company, provided a member holding more than 10% of the total share capital may appoint a single person as proxy and such person shall not act as proxy for any other shareholder.
3. Members/proxies are requested to bring their copy of Annual Report to the Meeting and bring in duly filled attendance slips enclosed herewith to attend the meeting. Shareholders/ Proxy holders are requested to produce at the entrance, duly filled and signed attendance slips for admission to the Meeting Hall.
4. Attendance slip, proxy form and the route map of the venue of the Meeting are annexed hereto along with this Annual Report
5. A remote e-voting facility for the members shall also be provided in terms of Section 108 of the Companies Act, 2013 and rules made there under and Regulation 44 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015. The facility for voting through ballot paper shall also be made available at the meeting and members attending the meeting who have not already cast their vote by remote e-voting shall be able to exercise the right at the meeting. The members who have cast their vote by remote e-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again.
6. In terms of the provisions of Section 152 of the Act, Mr. Parth S. Chauhan, retires by rotation as a Director at this Meeting. Mr. Shivkumar R. Chauhan & Mr. Nehalben S. Chauhan and his relatives shall be deemed to be interested in the Ordinary Resolution set out at Item No.2 of the Notice of AGM with regard to her re-appointment. Save and except above, none of the Directors/Key Managerial Personnel of the Company/their relatives are, in anyway, concerned or interested, financially or otherwise, in the Ordinary Business set out at Item No. 2 of the Notice of AGM.

7. SEBI has mandated that for registration of transfer of the shares in the demat form only after 1st April, 2019. Therefore, it is advised to the shareholders, holding their shares in the physical form to get convert into the Demat form.
8. Corporate members intending to send their authorized representative to attend the Annual General Meeting are requested to ensure that the authorized representative carries a certified copy of the Board resolution, Power of Attorney or such other valid authorizations, authorizing them to attend and vote on their behalf at the Extra Ordinary General Meeting.
9. In line with the aforesaid Ministry of Corporate Affairs (MCA) Circulars and SEBI Circular dated May 12, 2020, the Notice of Annual General Meeting, inter alia, indicating the process and manner of e-voting along with Board Report, Financials, Attendance Slip and Proxy Form is being sent to the members for the Financial Year 2021-22 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/Depositories. Pursuant to Regulation 46 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and in line with the MCA Circulars, the Notice calling AGM and Annual Report for the Financial Year 2021-22 has been uploaded on the website of the Company at www.charmsindustries.co.in. The Notice can also be accessed from the website of the Stock Exchange i.e. BSE Limited at www.bseindia.com and the Notice of Annual General Meeting is also available on the website of CDSL (agency for providing the Remote e-Voting facility) i.e. www.evotingindia.com. For members who have not registered their email address, may write to the Company Secretary at www.charmsindustries.co.in and/or charmsltd@yahoo.com and physical copies of the Notice of the Meeting are being sent through permitted mode.
10. Members of the Company under the Category of "Institutional Investors" are encouraged to attend and vote at the AGM.
11. Members who have voted through remote e-voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
12. Pursuant to Section 91 of the Companies Act, 2013 and Regulation 42 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Register of members and share transfer books of the Company will remain closed from Tuesday, September 13, 2022 to Monday, September 19, 2022 (both days inclusive) for the purpose of Annual General Meeting.
13. Members desirous of obtaining any information concerning the accounts and operations of the Company are requested to address their question in writing to the Company by email at charmsltd@yahoo.com so as to reach the registered office of the Company at least 10 days but not later than September 14, 2022 before the date of the meeting so that information required may be made available at the time of the Meeting so as to enable the management to keep the information ready.
14. The Securities and Exchange Board of India (SEBI) has mandated the Submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are therefore requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company or the Registrar and Share Transfer Agent.
15. Members are requested to intimate changes, if any. Pertaining to their name, postal address, email address, telephone/mobile numbers, Permanent Account Number (PAN), mandates nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc.,
 - a. **For shares held electronic form:** to their Depository Participants (DPs)
 - b. **For shares held in physical form:** to the Company/Registrar and Transfer Agent in prescribed Form ISR-1 and other forms pursuant to SEBI Circular No. SEBI / HO / MIRSD / MIRSD _ RTAMB / P / CIR/2021/655 dated November 03, 2021.
16. Members may please note that SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD_RTAB/P/CIR/2022/8 dated January 25, 2022 has mandated the listed companies to issue securities in dematerialized form only while processing service requests viz. Issue of duplicate securities certificate, claim from unclaimed suspense account, renewal/exchange of securities certificate; endorsement; sub-division/splitting of securities certificate; consolidation of securities certificates/folios; transmission and transportation. Accordingly, Members are requested to make service requests by submitting a duly filled and signed Form ISR-4. It may be noted that any service request can be processed only after the folio is KYC Compliant.

17. As per the provisions of Section 72 of the Companies Act, 2013 and the SEBI Circular, the facility for making nomination is available for the Members in respect of shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. If a Member desires to opt out or cancel the earlier nomination and record a fresh nomination, he/she may submit the same in Form No. ISR-3 or SH-14 as the case may be. Members are requested to submit the said details to their DP in case the shares are held by them in dematerialized form and to the Company/Registrar and Transfer Agent in case the shares are held in physical form.
18. Members are requested to notify any changes, in their address to the Company's Registrar & Share Transfer Agent, M/s. Bigshare Services Private Limited A-802, Samudra Complex, Near Klassic Gold Hotel, Off C.G. Road Navrangpura, Ahmedabad-380009.
19. In case of joint holders, the Members/Proxies whose name appears as the first holder in the order of name as per the Register of Members of the Company will be entitled to vote during the AGM.
20. Members can opt for only one mode of voting i.e. either by e-voting or Physical voting at AGM. In case Members cast their votes through both the modes, voting done by e-voting shall prevail and votes cast at AGM shall be treated as invalid.
21. Those Shareholders whose email ids are not registered can get their email id registered as follows:
 - a. Members holding shares in demat form can get their email id registered by contacting their respective Depository Participant.
 - b. Members holding shares in the physical form can get their email id by contacting our Registrar and Share Transfer Agent "M/s. Bigshare Services Private Limited" on their email id at bssahd1@bigshareonline.com."
22. Members who wish to inspect the Register of Directors' and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013, the Register of contracts or arrangements in which the Directors are interested under Section 189 of the Companies Act, 2013 and relevant documents referred to in this Notice of AGM and Explanatory Statement on the date of AGM will be available for inspection in electronic mode can send an email to charm ltd@yahoo.com.
23. **THE PROCEDURE AND INSTRUCTIONS FOR MEMBERS FOR VOTING ELECTRONICALLY ARE AS UNDER:**
 - i. The voting period begins on Friday, September 16, 2022 at 10.00 A.M. to Sunday, September 18, 2022 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 Monday, September 12, 2022 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
 - ii. Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting.
 - iii. In compliance with the provisions of Section 108 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 and pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 09, 2020, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders / retail shareholders is at a negligible level. Currently, there are multiple e-voting service providers (hereinafter referred as 'ESPs') providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders. In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.
 - iv. Those Members who will be present in the Annual General Meeting physically and have not cast their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote at the Annual General Meeting.

- v. The Members who have casted their vote by remote e-Voting prior to the Annual General Meeting may also attend/ participate in the Extra Ordinary General Meeting physically but shall not be entitled to cast their vote again.
- vi. Any person, who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holds shares as of the cut-off date, may obtain the login ID and password by sending a request at helpdesk.evoting@cdslindia.com by mentioning their demat account number/ folio number, PAN, name and registered address. However, if he/ she is already registered with CDSL for remote e-Voting then he/ she can use his/ her existing User ID and password for casting the vote.
- vii. A person who has acquired the shares and has become a member of the Company after the dispatch of the Notice of the Annual General Meeting and prior to the Cut-off date i.e. Monday, September 12, 2022 shall be entitled to exercise his/her vote at the Annual General Meeting.
- iv. In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.
Pursuant to above said SEBI Circular, Login method for e-Voting 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	a. Users of who have opted for CDSL's 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 www.cdslindia.com and click on Login icon and select New System Myeasi.
	b. After successful login the Easi/Easiest user will be able to see the e-Voting Menu. On clicking the e-voting menu, the user will be able to see his/her holdings along with links of the respective e-Voting service provider i.e. CDSL/NSDL/KARVY/LINK INTIME as per information provided by Issuer/ Company. Additionally, we are providing links to e-Voting Service Providers, so that the user can visit the e-Voting service providers' site directly.
	c. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration .
	d. Alternatively, the user can directly access E-Voting page by providing Demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be provided links for the respective ESP where the e-Voting is in progress during or before the Annual General Meeting.
Individual Shareholders holding securities in demat mode with NSDL	a. If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is

	<p>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.</p> <p>b. If the user is not registered for IDeAS e-services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS "Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp.</p> <p>c. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-voting service provider name and you will be redirected to e-voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting& voting during the meeting.</p>
Individual Shareholders (holding securities in demat mode) login through their Depository Participants	<p>a. 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>

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

Helpdesk for Individual Shareholders holding securities in demat mode for any technical Issues related to login through Depository i.e. 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 athelpdesk.evoting@cdslindia.com or contact at 022-23058738 and 22-23058542-43.
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request atevoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30

v. Login method for e-Voting other than individual shareholders & physical shareholders

- 1) The shareholders should log on to the e-voting website www.evotingindia.com.
- 2) Click on Shareholders
- 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. Members 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 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 Physical Form
PAN	Enter your 10digit alpha-numeric PAN issued by Income Tax Department(Applicable for both demat shareholders as well as physical shareholders) Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number which is printed on Attendance Slip indicated in the PAN field.
Dividend Bank Details OR Date of Birth (DOB)	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 number in the Dividend Bank details field as mentioned in instruction (iv).

- vi. After entering these details appropriately, click on "SUBMIT" tab.
- vii. Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- viii. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- ix. Click on the EVSN for the relevant <CHARMS INDUSTRIES LIMITED> on which you choose to vote.
- x. 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.
- xi. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- xii. 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.
- xiii. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- xiv. You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.

- xv. 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.
- xvi. Shareholders can also cast their vote using CDSL's mobile app m-Voting. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting through your mobile.
- xvii. Note for Non – Individual Shareholders and Custodians:
 - i. 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 "Corporate" module.
 - ii. A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com
 - iii. After receiving the login details, user would be able to link the account(s) for which they wish to vote on.
 - iv. 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.
 - v. A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
 - vi. 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 and to the Company, if voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL ADDRESSES ARE NOT REGISTERED WITH THE DEPOSITORIES 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/RTA email id.
 2. For Demat shareholders -, Please update your email id & mobile no. with your respective Depository Participant (DP)
 3. For Individual Demat shareholders - Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.
24. Mr. Vishwas Sharma, Practicing Company Secretary Proprietor of M/s. Vishwas Sharma & Associates (Membership No. ACS: 33017; COP No: 16942) has been appointed by the Board of Directors of the Company to scrutinize the e-voting during the AGM and remote e-voting process prior to AGM in a fair and transparent manner and he has communicated his willingness to be appointed and will be available for same purpose.
25. The Scrutinizer shall within two working days from the conclusion of e-voting period, unblock the votes in presence of at least two witnesses not in employment of the Company and make a report of the votes cast in favor or against, if any, forthwith to the Chairman of the Company.
26. The Results shall be declared within two working days from the conclusion of the AGM. The results declared along with the Scrutinizer's report shall be placed on the Company's website at www.charmsindustries.co.in and on the CDSL website www.evotingindia.com and communicated to the Stock Exchanges.

Every member entitled to vote at the meeting, or on any resolution to be moved thereat, shall be entitled during the period beginning 24 hours before the time fixed for the commencement of the meeting and ending

with the conclusion of the meeting, to inspect the proxies lodged, at any time during the business hours of the company, provided that not less than three days notice in writing of the intention so to inspect is given to the Company.

If you have any queries or issues regarding attending Annual General Meeting & e-voting from the CDSL e-voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at 022-23058738 and 022-23058542/43

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Manager, (CDSL) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N. M. Joshi Marg, Lower Parel (East), Mumbai-400013, Maharashtra or send an email to helpdesk.evoting@cdslindia.com or call on 022-23058542/43.

For, Charms Industries Limited

Place: Ahmedabad
Date: 10/08/2022

Harsad Shantilal Gandhi
Chairman & Director
(DIN: 01056779)

Details of Directors Seeking Appointment / Re-Appointment As Required Under Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015

NAME OF DIRECTORS	Mr. Parth Shivkumar Chauhan (DIN:07571829)
Age /Date of Birth	25/10/1990
Date of Appointment	02/09/2016
Qualification and experience in specific functional areas	He is a commerce graduate and have more than 7 years of experience of business administration.
Directorship held in other companies*	NIL
Membership / chairmanships of committees in other Public companies*	NIL
Number of Shares held in the Company	0
Relationship of the Directors Inter se	<ul style="list-style-type: none"> ➤ Mrs.Nehal Shivkumar Chauhan (Mother) ➤ Mr. Shivkumar R. Chauhan (Father)

*Pvt. Companies excluded

For and on behalf of the Board

Place: Ahmedabad
Date: 10/08/2022

**Harsad Shantilal Gandhi
Chairman & Director
(DIN: 01056779)**

DIRECTORS REPORT

**To,
The Members of Charms Industries Limited.**

The Directors are presenting this 30th Annual Report and the Audited Statement of Accounts for the year ended March 31, 2022.

1. FINANCIAL PERFORMANCE

PARTICULARS	FOR THE YEAR ENDED MARCH 31, 2022 (RS IN LAKH)	FOR THE YEAR ENDED MARCH 31, 2021 (RS IN LAKH)
Income	0.00	3.75
Other Income	5.75	2.17
Total Income	5.75	5.92
Less : Expenditure	(12.38)	(33.12)
Profit/Loss before Interest , Depreciation and tax	(6.63)	(27.20)
Less : Interest	0.00	0.00
Less : Depreciation & Amortization Cost	0.38	0.38
Profit/ Loss Before Tax	(7.01)	(27.58)
Less : Tax Expenses	0.00	0.64
Profit / Loss after Tax	(7.01)	(28.22)

The Financial Statements of the Company are prepared in accordance with Indian Accounting Standards (IND AS) including the Rules notified under the relevant provisions of the Companies Act, 2013, form part of the Annual Report and Accounts.

2. HIGHLIGHTS OF FINANCIAL SUMMERY

During the year under review, the company has incurred a loss of Rs.7.01 Lakhs/-, which less as comparing to the last F.Y. 2020-21 i.e. Rs. 28.22/-. The Company has faced many difficulties due to International travel restrictions during the financials year 2021-22, however now government has lift the travel restrictions and the management is optimizing that the growth of the company will be on better track and doing well in the upcoming Financial Year.

3. DIVIDEND

Since the company incurred loss during the year ended on 31st March, 2022, the Board of Directors has not recommended any dividend for the year.

4. TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND:

Since there was no unpaid/unclaimed Dividend declared and paid last year, the provisions of Section 125 of the Companies Act, 2013 do not apply.

5. RESERVES

The Company has not transferred any amount to Reserves.

6. CHANG OF REGISTERED OFFICE

During the year under review, there was no change in address of Registered office of the Company.

7. INCREASE IN AUTHORISED SHARE CAPITAL

The Authorized share capital of the Company is Rs. 4,50,00,000 consisting of 45,00,000 Equity Shares of Rs. 10 each.

During the year under review, there was no change in the Authorized Share Capital of the Company.

8. INCREASE IN ISSUED, SUBSCRIBED & PAID-UP SHARE CAPITAL

The Issued, Subscribed and paid Up Capital of the Company is Rs. 4,10,61,000 consisting of 41,06,100 Equity Shares of Rs. 10 each.

There was no change in the Issued, Subscribed and paid Up Capital Share Capital of the Company during the year under review.

9. LISTING

The Equity Shares of the Company are continued to be listed and actively traded on the Bombay Stock Exchange Limited (BSE). The listing fees payable for the Financial Year 2021-22 has been paid to the Stock Exchanges (BSE).

10. DEMATERIALIZATION OF SHARES:

As on March 31, 2022, there were 32,01,660 Equity Shares dematerialized through depositories viz. National Securities Depository Limited and Central Depository Services (India) Limited, which represents about 77.97% of the total issued, subscribed and paid-up capital of the Company.

11. SUBSIDIARY / ASSOCIATE / JOINT VENTURE COMPANIES

The Company does not have any Subsidiary/Associate/Joint venture Companies.

12. CHANGE IN NATURE OF BUSINESS

The Company is engaged in the business of Money Changer. There was no change in the nature of business activities of the Company during the year under review. However, in addition of the existing main object, the Company has added to new business activities to the Main Object by alteration of Memorandum of Association (MOA) through Postal Ballot resolution passed on which was deemed to have been passed on the last day of e-voting.

POSTAL BALLOT

Pursuant to section 110 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 (including any statutory amendment(s) or re-enactment(s) made there under), your Company passed the following resolution through postal ballot as per the details below:

The alteration in main object clause of memorandum of association

Date of Postal Ballot Notice	22 nd March, 2021
Date of Declaration of Result	Friday, 30 th April, 2021
Voting Period	Wednesday, 31 st March, 2021 to Thursday, 29 th April, 2021
Date of Approval	Friday, 30 th April, 2021

Description of Resolution	Type of Resolution	No. of votes polled	No. of votes casted in favour	No. of votes casted against
Alteration Of Main Object Clause Of Memorandum Of Association Of Company	Special Resolution	13,45,094	13,45,094	0

DIRECTORS AND KEY MANAGERIAL PERSONNEL

The boards consist of adequate number of directors as per the Companies act 2013, SEBI Regulations, and other applicable laws.

A. Composition of Board

Name of Directors	Designation	Category	No. of Board Meeting held	No. of Board Meeting Attended
Shivkumar R. Chauhan	Managing Director	Promoter Executive	7	7
Harshad Shantilal Gandhi	Chairman & Director	Non-Executive, Independent	7	6
Parth Shivkumar Chauhan	Director	Promoter Non-Executive	7	7
Nishit Madhavbhai Rupapara	Director	Non-Executive, Independent	7	6
Nehal Shivkumar Chauhan	Director	Promoter Non-Executive	7	7

B. Retirement by rotation:

In accordance with the provisions of the Articles of Association of the Company and Companies Act, 2013, Mr. Parth S. Chauhan (DIN-07571829) retires by rotation and being eligible have offered himself for reappointment.

C. Changes in Board during the Year

There are no Changes in Board during the year.

D. Declaration of Independence

Mr. Harsad S. Gandhi (DIN: 01056779) and Mr. Nishit Rupapara (DIN:02859031) are the existing Independent Directors the Company and the Company has received declarations from all the Independent Directors confirming that they meet the criteria of independence as prescribed under the provisions of the Companies Act, 2013 read with the Schedules and Rules issued there under as well as Regulation 16(1)(b) of Listing Regulations (including any Statutory modification(s) or re-enactment(s) for the time being in force).

D. Evaluation of Board's Performance

Pursuant to provisions of the Companies Act and the Listing Regulations, the Board has carried out the annual performance evaluation of its own performance, performance of the Chairman, the Committees and independent Directors without Participation of the relevant Director. The Nomination and Remuneration Committee of the Board continuously evaluates the performance of the Board and provides feedback to the Chairman of the Board. The independent directors had a separate meeting without the presence of any non-independent directors and management and considered and evaluated the Board's performance, performance of the Chairman and other non-independent directors and shared their views with the Chairman. The Board had also separately evaluated the performance of the Committees and independent directors without participation of the relevant director.

E. Profile of Directors Seeking Appointment / Reappointment

As required under regulation 36(3) of SEBI (LODR), 2015, particulars of the Directors retiring and seeking reappointment at the ensuing Annual General Meeting is annexed to the notice convening 30th Annual General Meeting.

13. NUMBER OF MEETINGS OF THE BOARD

Regular meetings of the Board are held to discuss and decide on various business policies, strategies, financial matters and other businesses. During the year, the Board duly met Seven (7) times on 01/05/2021, 24/06/2021, 09/08/2021, 25/10/2021, 24/12/2021, 04/02/2022 & 22/03/2022 in respect of said meetings proper notices were given and proceedings were properly recorded and signed in the Minute Book maintained for the purpose.

14. STATE OF THE COMPANY'S AFFAIRS

The state of the Company affairs forms an integral part of Management Discussion and Analysis Report is furnished in "Annexure-B" and is attached to the report.

15. ANNUAL RETURN AS PER SECTION 92(3) OF COMPANIES ACT, 2013.

In terms of Section 92(3) of the Companies Act, 2013 and Rule 12 of the Companies (Management and Administration) Rules, 2014, the Annual Return of the Company shall be available on the website of the Company at www.charmsindustries.co.in.

16. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(3) of the Companies Act, 2013, your Directors confirm:

- i. That in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures, if any;
- ii. That the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;
- iii. That the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company for preventing and detecting fraud and other irregularities;
- iv. That the Directors had prepared the annual accounts on a going concern basis.

- v. That the Directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively; and
- vi. The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively;

17. DISCLOSURE OF VARIOUS COMMITTEES OF BOARD OF DIRECTORS

a. AUDIT COMMITTEE:

The Audit Committee of Directors was constituted pursuant to the provisions of Section 177 of the Companies Act, 2013. The composition of the Audit Committee is in conformity with the provisions of the said section.

Name of the directors	Category of directorship	Position	Number of Meetings	
			Held	Attended
Mr. Harsad S. Gandhi	Independent and Non-Executive	Chairman	5	5
Mr. NishitM.Rupapara	Independent and Non-Executive	Member	5	5
Mr. Shivkumar R. Chauhan	Promoter and Managing Director	Member	5	5

Recommendations by the Audit Committee:

All the recommendations made by the Audit Committee are accepted and implemented by the Board of Directors.

- The broad terms of reference of the Audit Committee are as under:
 - Reviewing of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
 - Recommending the appointment, remuneration and terms of appointment of external Auditor. Review and monitor the auditor's independence and performance and effectiveness of audit process.
 - Approval or any subsequent modification of transactions of the company with related parties
 - Scrutiny of inter-corporate loans and investments
- Valuation of undertakings or assets of the Company, wherever it is necessary.
 - ❖ Monitoring the end use of funds raised through public offers and related matters.
 - ❖ Reviewing with management the Annual financial statements and half yearly and Quarterly financial results before submission to the Board.
 - ❖ Reviewing periodically the adequacy of the internal control system.- Discussions with Internal Auditor on any significant findings and follow up there on.

MEETINGS:

During the year, 5(five) meeting of the committee was held on 01/05/2021, 24/06/2021, 09/08/2021, 25/10/2021 & 04/02/2022. The necessary quorum was present at the Meetings.

B. NOMINATION AND REMUNERATION COMMITTEE:

The Nomination and Remuneration Committee of Directors was constituted pursuant to the provisions of Section 178 of the Companies Act, 2013. The composition of the Committee is in conformity with the provisions of the said section.

The details of composition of Nomination and Remuneration Committee are as follows:

Name of the Directors	Category of Directorship	Position	Number of meeting held	Number of meeting attended
Mr. Harsad S. Gandhi	Independent Non-Executive	Chairman	2	2
Mr. Nishit M. Rupapara	Independent Non-Executive	Member	2	2
Mrs. Nehal S. Chauhan	Promoter Non-Executive	Member	2	2

Terms of reference of the broad terms of reference of the Nomination and Remuneration Committee are as under:

- Formulation of the criteria for determining the qualifications, positive attributes and independence of Director;
- Devising a policy on Board diversity;
- Formulation of Remuneration policy;
- Review the structure, size and composition of the Board;
- Identifying and selection of candidates for appointment as Directors;
- Identifying potential individuals for appointment as Key Managerial Personnel and Senior Management;
- Formulation of criteria for evaluation of Independent Directors and the Board.

Meetings:

During the Year, 2 (Two) meeting of the committee was held on 09/08/2021.& 25/10/2021

The Board has on the recommendation of Nomination and Remuneration Committee framed a policy on director's appointment and remuneration of Directors including criteria for determining qualification, positive attributes, independence of directors and remuneration for Directors, Key Managerial Personnel and Other Employees.

Policy on Directors' Appointment & Remuneration

The Board has in accordance with the provisions of sub-section (3) of Section 178 of the Companies Act, 2013, formulated the policy setting out the criteria for determining qualifications, positive attributes, independence of a Director and policy relating to remuneration of Directors, Key Managerial Personnel and other employees. The said policy is accessible on the Company's official website at www.charmsindustries.co.in

We affirm that the remuneration paid to the Directors is as per the terms laid out in the Remuneration Policy of the Company.

Annual Evaluation of Board, Committees and Individual Directors:

Pursuant to the provisions of the Act, Listing Regulations, 2015 and the Remuneration Policy of the Company, the Board of Directors/ Independent Directors/ Nomination and Remuneration Committee (as applicable) has undertaken an evaluation of its own performance, the performance of its Committees and of all the individual Directors including the Chairman of the Board of Directors based on various parameters relating to roles, responsibilities and obligations of the Board, effectiveness of its functioning, contribution of Directors at meetings and the functioning of its Committees. Such evaluation is presented to the Nomination and Remuneration Committee and the Board of Directors (as applicable).

Directors express their satisfaction with the evaluation process

C. STAKEHOLDERS RELATIONSHIP COMMITTEE:

The Stakeholders Relationship Committee is constituted in compliance with the requirements of Section 178 of the Companies Act, 2013. Company Secretary is the Compliance Officer, who acts as the Secretary to the Committee and the Members of the Committee are:

Name of the Directors	Category of Directorship	Position	Number of meeting held	Number of meeting attended
Mr. Harsad S. Gandhi	Independent Non-Executive	Chairman	1	1
Mr. Shivkumar R. Chauhan	Promoter and Managing Director	Member	1	1
Mr. Parth Shivkumar Chauhan	Non-Executive	Member	1	1

The broad terms of reference of the Stakeholders Relationship Committee are as under:

- Oversee and review all matters connected with the transfer of the Company's securities.
- Monitor redressal of investors' / shareholders' / security holders' grievances.
- Oversee the performance of the Company's Registrar and Transfer Agents.
- Recommend methods to upgrade the standard of services to investors.
- Carry out any other function as is referred by the board from time to time or enforced by any statutory notification/ amendment or modification as may be applicable.

Details of Investor's grievances/ Complaints:

The Company has not received any complaints during the year. The pending complaints of the Shareholders/Investors registered with SEBI at the end of the current financial year ended on 31st March, 2022 are NIL. Mr. Dileep Panchal is the Company Secretary and Compliance Officer of the Company for the above purpose.

Meetings:

The Committee duly met 01 (one) times on 09/08/2021

18. INDEPENDENT DIRECTORS MEETING:

The Independent Directors of the Company met during the year on 24th December, 2022 & 22nd March, 2022 without the attendance of non-Independent Directors and members of the Board.

The Independent Directors reviewed the performance of the non-independent Directors and Board as whole. the performance of the Chairman taking into account the views of executive Directors and non-executive Directors and assessed the quality, quantity and timeline of flow of information between company management and board.

19. Auditors

The matters related to Auditors and their Reports are as under:

A. Statutory Auditors:

The present Auditors of the Company M/s. Ashit N. Shah & Co., Chartered Accountants, Ahmedabad (FRN.:100624W) Chartered Accountants, were appointed as Auditors of the company to hold office from the conclusion of 29th Annual General Meeting (AGM) till the conclusion of the 33rd Annual General Meeting of the Company to be held in the year 2024.

- **Auditor Report :**

During the year 2021-22, no frauds have either occurred or noticed and/or reported by the Statutory Auditors under Section 143(12) of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (as amended from time to time).

The Notes to the financial statements referred in the Auditors Report are self-explanatory. There are no qualifications or reservations or adverse remarks or disclaimers given by Statutory Auditors' of the Company and therefore do not call for any comments under Section 134 of the Companies Act, 2013. The Auditors' Report is enclosed with the financial statements in this Annual Report.

During the year under review, the Auditors have not reported any matter under Section 143 (12) of the Act and therefore no detail is required to be disclosed under Section 134 (3) (ca) of the Act.

B. Cost Auditor:

As the cost audit is not applicable to the Company, therefore the Company has not appointed the Cost Auditor pursuant to Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Amendment Rules, 2014.

C. Internal Auditor

The Board of Directors was on the recommendation of Audit Committee, and pursuant to the provision of Section 138 of the Companies Act 2013 appointed Mr. Praful N. Shah & Co., Chartered Accountant, as an Internal Auditor of the Company for the financial year 2021-22.

Further, the Company has appointed Mr. Paresh Popatlal Joshi as an Internal Auditor of the Company for the F.Y. 2022-23.

D. Secretarial Auditor:

Provisions of Section 204 read with Section 134(3) of the Companies Act, 2013, mandates to obtain Secretarial Audit Report from Practicing Company Secretary. M/s. Vishwas Sharma & Associates, Practicing Company Secretaries had been appointed to issue Secretarial Audit Report for the Period ended on 31st March, 2022.

- **Secretarial Audit Report :**

Secretarial Audit Report issued by Mr. Vishwas Sharma, Company Secretary in Practice For the period ended on 31st March 2022 in Form MR-3 which is attached and marked as **Annexure "1"**, for the period under review, forms part of this report. The said report contains observation or qualification which are mentioned here in under.

1. On 31.03.2022, out of the total shareholding of promoter(s) and promoter group i.e. 10,00,463 numbers of Equity Shares, the promoter(s) and promoter group of the Company has dematerialized only 9,95,623 number of equity shares. Hence, the Company has failed to ensure compliance of Regulation 31(2) of the SEBI (Listing Obligation and Disclosures Requirements) Regulations, 2015.

Reply :

The Board has noted the fact about Non-Dematerialization of 4,840 (i.e.0.48%) equity shares of the promoter's holding and accordingly intimated to the concerned promoters.

The concern promoter has intimated that they have lost the original physical share certificates of these holding and will initiate the process of issue of duplicate share certificate and accordingly on receipt of the same will initiate the process of converting their shares in demat form.

2. The Company has functional website but the website does not provide the minimum information in terms of the Regulation 46 (1) of the SEBI (Listing Obligation and Disclosures Requirements) Regulations, 2015 and it is also not updated with timely dissemination of the required information. Hence, the Company has not complied with Regulation 46 (1) of the SEBI (Listing Obligation and Disclosures Requirements) Regulations, 2015.

Reply :

The Board of your Company would like to inform you that the Company has now initiated the steps to update the website of the Company with all required minimum statutory requirements and will also ensure timely updation of website by dissemination of the required information.

3. The Company has not published the newspaper advertisement of quarterly unaudited financial results for the quarter ended on 30.06.2021. Hence, the Company has not complied with **Regulation 47 (1)** of the SEBI (Listing Obligation and Disclosures Requirements) Regulations, 2015 for publication quarterly unaudited financial results for the quarter ended on 30.06.2021.

Reply :

The Board of Directors of the Company would like to inform you that the Company is regular in publication of its financial results in News Papers as required under Regulation 47 of SEBI (LODR) Regulations, 2015 but inadvertently missed to publish advertisements in newspaper relating to Financial Results for the Quarter ended on 30th June, 2021. It is to be noted that the Result of the said quarter was timely disseminated on website of the BSE Ltd.

20. COMPANY SECRETARY:

Mr. Dileep Panchal is appointed as whole time company secretary and Compliance Officer of the company.

21. ESTABLISHMENT OF VIGIL MECHANISM

The company has in place a vigil mechanism pursuant to which a Whistle Blower Policy is also in vogue. Whistle Blower Policy covering all stakeholders including employees and directors of the company is hosted on companies' website <http://www.charmsindustries.co.in>

22. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATION IN FUTURE

There were no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operation in future.

23. RISK MANAGEMENT:

The Company does not have any Risk Management Policy or any statement concerning development and implementation of risk management policy of the company as the elements of risk threatening the Company's existence is very minimal.

25. COMPLIANCE WITH THE PROVISIONS OF SECRETARIAL STANDARD:

The Directors have devised proper systems to ensure compliance with the provisions of all applicable Secretarial Standards issued by the Institute of Company Secretaries of India and that such systems are adequate and operating effectively. The Company confirms Compliance with the applicable requirements of Secretarial Standards 1 and 2.

26. CORPORATE GOVERNANCE:

As per Regulation 15(2) of SEBI (Listing Obligation and Disclosures requirement) Regulation, 2015, Report on Corporate Governance is not applicable on the Company as the Company is not having the paid up share capital exceeding Rs. 10 crores and Net worth is exceeding Rs. 25 crores.

27. CORPORATE SOCIAL RESPONSIBILITY (CSR):

The provision of section 135(1) of Companies Act 2013 i.e. Corporate Social Responsibility is not applicable on the company. Therefore the company has not constituted CSR committee.

28. PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE :

As per the requirement of The Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 and rules made there under, your Company has constituted Internal Complaints Committee (ICC) which is responsible for redressal of complaints related to sexual harassment. The ICs includes external members with relevant experience. The ICs, presided by senior women, conduct the investigations and make decisions at the respective Annual Report – 2021-22 45 locations. The ICs also work extensively on creating awareness on relevance of sexual harassment issues, including while working remotely. Your Directors declared and confirm that, during the year under review, there is no case filed under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. All new employees go through a detailed personal orientation on anti-sexual harassment policy adopted by the Company.

29. VIGIL MECHANISM / WHISTLE BLOWER POLICY:

The Company believes in the conduct of its affairs in a fair and transparent manner to foster professionalism, honesty, integrity and ethical behavior in its employees & stakeholders. The Company has adopted a Whistle Blower Policy as a part of vigil mechanism. Also, the Code of Business Conduct (Code) lays down important corporate ethical practices that shape the Company's value system and business functions and represents cherished values of the Company.

30. STATEMENT OF FORMAL ANNUAL EVALUATION

Nomination and Remuneration Committee annually evaluates the performance of individual Directors, Committees, and of the Board as a whole in accordance with the formal system adopted by it. Further, the Board also regularly in their meetings held for various purposes evaluates the performance of all the Directors, committees and the Board as a whole. The Board considers the recommendation made by Nomination and Remuneration Committee in regard to the evaluation of board members and also tries to discharge its duties more effectively. Each Board member's contribution, their participation was evaluated and the domain knowledge they bring. They also evaluated the manner in which the information flows between the Board and the Management and the manner in which the board papers and other documents are prepared and furnished.

31. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations. The scope of the Internal Audit function is defined in the Internal Audit Manual. The Internal Audit Department monitors and evaluates the efficacy and adequacy of internal control system in the Company, its compliance with operating systems, accounting procedures and policies of the Company. The Internal Audit also includes both physical as well as online transaction audit. Based on the report of internal audit function, process owners undertake corrective action in their respective areas and thereby strengthen the controls. Significant audit observations and recommendations along with corrective actions thereon are presented to the Audit Committee of the Board.

32. MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

Management Discussion and Analysis Report as required under the Listing Agreement with stock exchanges is annexed as a separate **Annexure "2"** forming part of this Report.

33. LISTING

The Equity Shares of the Company are listed on Bombay Stock Exchange. The company has paid annual listing fees to the Stock Exchange for the year 2021-22, further the Company is regular in compliances of various clauses and regulations of the Listing Agreement and/or LODR.

34. PARTICULARS REGARDING EMPLOYEES:

The information required under Section 197 of the Companies Act, 2013 read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is provided in the Report and marked as Annexure- "3". No employee of the Company was in receipt of the remuneration exceeding the limits prescribed in the rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

35. DEPOSITS

During the year under review, the Company has not accepted or renewed any deposits within the meaning of Section 73 and 76 of the Companies Act 2013 read with the Companies (Acceptance deposits Rules), 2014. There was no deposit which remained unclaimed and unpaid at the end of the year.

36. PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES PURSUANT TO SECTION 188(1) OF THE COMPANIES ACT, 2013:

There were no contracts or arrangements or transactions with any related parties which could be considered material in accordance with the policy of the Company during the year under review. Hence, the Company is not required to disclose details of the related party transactions in 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.

37. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT, 2013:

The company has not made any loans, guarantees or investments covered under the provisions of section 186 of the Companies Act, 2013 during the financial period under review.

38. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO:**A. Conservation of Energy:**

- i. the steps taken or impact on conservation of energy: Nil
- ii. The steps taken by the company for utilizing alternate sources of energy: None
- iii. The capital investment on energy conservation equipment's: Nil

B. Technology Absorption:

- i. the efforts made towards technology absorption: None
- ii. The benefits derived like product improvement, cost reduction, product development or import substitution: None
- 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: None
 - b) The year of import: N.A.
 - c) Whether the technology has been fully absorbed: N.A.
 - d) If not fully absorbed, areas where absorption has not taken place, and the reasons thereof: N.A.
- iv. The expenditure incurred on Research and Development: Nil

C. FOREIGN EXCHANGE EARNING & OUTGO:

- i) Foreign Exchange Earning: NIL
- ii) Foreign Exchange Outgoing: NIL

39. DIRECTOR'S DISQUALIFICATION

All the directors of the Company have confirmed that they are not disqualified from being appointed as directors in terms of Section 164 of the Companies Act, 2013.

40. PANDEMIC AND COVID -19

During the year, there was second wave of COVID-19 outbreak, we have also provided work from home facilities to our employees during the period and some of them at workplace also. Further, all the safety

measures were taken and medical support was available within the premises once the company was started. Physical and emotional, well being and financial support was provided to the employees by the management.

41. INSOLVENCY AND BANKRUPTCY CODE:

During the Financial Year ended on March 31, 2022, there is no application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016

42. MATERIAL CHANGES AND COMMITMENT, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR TO WHICH THESE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT:

No material changes and commitments affecting the financial position of the Company occurred between the end of the financial year to which these financial statements relate on the date of this report.

43. GENERAL:

a. Your Company has not issued any equity shares with differential rights as to dividend, voting or otherwise; and

b. Your Company does not have any ESOP scheme for its employees/Directors

44. ACKNOWLEDGEMENT

Your Directors place on record the valuable co-operation and assistance extended by Reserve Bank of India, Western Union Financial services Inc., Government Authorities, Bankers, lending Institutions, suppliers and Customers during the year under review. Your Directors also place on record their appreciation for the committed services of the executives and staff of the Company.

For and on behalf of the Board

Harsad Shantilal Gandhi
Chairman & Director
(DIN: 01056779)

Place: Ahmedabad

Date: 10/08/2021

“Annexure-1”**SECRETARIAL AUDIT REPORT****FORM NO. MR-3****For the financial year ended on 31st March, 2022****[Pursuant to section 204(1) of the Companies Act, 2013 and rule No. 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]**

**To,
The Members,
CHARMS INDUSTRIES LIMITED,
(CIN:- L72900GJ1992PLC017494)
108-B/109, Sampada Building,
B/h. A. K. Patel House, Mithakali Six Roads,
Navrangpura, Ahmedabad-380009.**

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by CHARMS INDUSTRIES LIMITED (hereinafter called “the company”). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of 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 I, hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31st March, 2022 (‘Audit Period’) complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2022 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the Rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 (‘SCRA’) and the Rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-Laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the Rules and Regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowing.
- (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 to the company during the audit period); **(Not applicable during the audit period)**
 - d. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (not applicable to the company during the audit period); **(Not applicable during the audit period)**
 - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (not applicable to the company during the audit period); **(Not applicable during the audit period)**

- f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (not applicable to the company during the audit period); ;(**Not applicable during the audit period**)
- h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (not applicable to the company during the audit period); ;(**Not applicable during the audit period**)
- i. Reserve Bank of India Act, 1934.
- j. The company is engaged in business of Full Fledge Money Changer and holds a valid License issued by the RBI, Ahmedabad vide License No. FE. AH. AM. 02/99, therefore the Company has to follow the RBI Act and rules and regulations there under as applicable to those holding License to carry on the business of FPMC.)
- k. I have relied on the representations made by the Company and its officers for systems and mechanism formed by the Company for compliances of other specific applicable Acts, Laws and Regulations to the Company as mentioned hereunder;
- l. Income-Tax Act, 1961 and Indirect Tax Laws;

I have also examined compliance with the applicable Clauses of the following:

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

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above and subject to the following observations;

- a. According to the **Regulation 31(2)** of the SEBI (Listing Obligation and Disclosures Requirements) Regulations, 2015, the listed entity shall ensure that hundred percent of shareholding of promoter(s) and promoter group is in dematerialized form and the same is maintained on a continuous basis in the manner as specified by the Board.

Observation:

On 31.03.2022, out of the total shareholding of promoter(s) and promoter group i.e. 10,00,463 numbers of Equity Shares, the promoter(s) and promoter group of the Company has dematerialized only 9,95,623 number of equity shares. Hence, the Company has failed to ensure compliance of Regulation 31(2) of the SEBI (Listing Obligation and Disclosures Requirements) Regulations, 2015.

- b. According to the **Regulation 46(1)** of the SEBI (Listing Obligation and Disclosures Requirements) Regulations, 2015, the listed entity shall maintain a functional website containing the basic information about the listed entity & shall disseminate the information(s) as provided under Regulation 46 (2) under the separate section of the website.

Observation:

The Company has functional website but the website does not provide the minimum information in terms of the Regulation 46 (1) of the SEBI (Listing Obligation and Disclosures Requirements) Regulations, 2015 and it is also not updated with timely dissemination of the required information. Hence, the Company has not complied with Regulation 46 (1) of the SEBI (Listing Obligation and Disclosures Requirements) Regulations, 2015.

- c. According to the **Regulation 47 (1)** of the SEBI (Listing Obligation and Disclosures Requirements) Regulations, 2015, the listed entity shall publish the following information in the newspaper;
 - i. financial results, as specified in regulation 33, along-with the modified opinion(s) or reservation(s), if any, expressed by the auditor;
 Provided that if the listed entity has submitted both standalone and consolidated financial results, the listed entity shall publish consolidated financial results along-with (1) Turnover, (2) Profit before tax and (3) Profit after tax, on a stand-alone basis, as a foot note; and a reference to the

places, such as the website of listed entity and stock exchange(s), where the standalone results of the listed entity are available.

ii. notice given to shareholders by advertisement.

Observation:

*The Company has not published the newspaper advertisement of quarterly unaudited financial results for the quarter ended on 30.06.2021. Hence, the Company has not complied with **Regulation 47 (1)** of the SEBI (Listing Obligation and Disclosures Requirements) Regulations, 2015 for publication quarterly unaudited financial results for the quarter ended on 30.06.2021.*

I further report that:

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

Adequate notice is given to all the directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. Boards take decision by majority of directors while the dissenting directors' views are captured and recorded as part of the minutes.

I further report that:

There are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable Laws, Rules, Regulations and Guidelines.

I further report that the Company has altered its Main Object Clause of Memorandum Of Association by passing the special resolution through **postal ballot** as per the details below:

1. Alteration of Main object clause of Memorandum of Association of Company

The voting for postal ballot was remained opened from March 31, 2021 to April 29, 2021 and resolutions were deemed to be passed on 29th April, 2021 which was the last date of e-voting.

I further report that during the audit period, there were no instances of:

- (i) Public/Rights/Preferential issue of Shares/debentures/sweat equity.
- (ii) Redemption/buy-back of securities.
- (iii) Major Decisions taken by the members in pursuant to section 180 of the Companies Act, 2013
- (iv) Merger/ amalgamation/ reconstruction etc.
- (v) Foreign technical collaborations.

**For, Vishwas Sharma and Associates,
Company secretaries,**

Vishwas Sharma
Proprietor
ACS: 33017 COP No.:16942.
UDIN: A033017D000777761

Place: Ahmedabad
Date:10/08/2022

Note: This report is to be read with my letter of even date which is annexed as Annexure herewith and forms and integral part of this report.

ANNEXURE TO SECRETARIAL AUDIT REPORT

To,
The Members,
CHARMS INDUSTRIES LIMITED,

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

1. Maintenance of secretarial records is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, I have obtained the Management representations 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 and Standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For, Vishwas Sharma and Associates,
Company secretaries,

Vishwas Sharma Proprietor
ACS: 33017 COP No.:16942.
UDIN: A033017D000777761

Place: Ahmedabad
Date: 10/08/2022

“Annexure-2”

MANAGEMENT DISCUSSIONS AND ANALYSIS REPORT

GENERAL ECONOMY OUTLOOK:

India's real GDP growth for FY 2021-22 was 8.7%, which is amongst the highest in leading economies, as the Indian economy bounced back during the year exhibiting resilience during the pandemic. As the year progressed, most of the economic indicators such as GST collection, IIP, Exports and UPI transactions saw an uptick, indicating a steady recovery from the lows of the first quarter of FY 2021-22. This was also expected in the credit growth for money exchanger business in India.

The study's primary objective is to unravel the nexus between the COVID-19 crisis and the exchange rate movements in the six major COVID-19 hot spots—Brazil, China, India, Italy, Turkey, and the United Kingdom. The impact of the COVID-19 deaths on the Rupee/USD, Pound/USD, Yuan/USD, Real/USD, Lira/USD, and Euro/USD exchange rates is analyzed by using the panel ARDL model. The COVID-19 deaths are used as a proxy for market expectations. The panel ARDL model showed a unidirectional long-run causality running from the COVID-19 deaths to the exchange rate. In fact, the coefficient of COVID-19 deaths is positive and significant in explaining the exchange rate(s) in the long run. This result meets the a-priori expectation that a rise in COVID-19 deaths can depreciate the sample countries' exchange rates. The reason being, the ongoing COVID-19 pandemic has changed the market expectations of the financial market participants about the future value of exchange rate(s) in the major COVID-19 hot spots. Therefore, countries experiencing a sharp daily rise in COVID-19 deaths typically saw their currencies weaken.

(source : <https://fbj.springeropen.com/articles/10.1186/s43093-022-00126-8>)

The slew of measures announced by Reserve Bank of India (RBI) to enhance foreign exchange inflows should help rupee to outperform its peers in emerging market economies, experts said. RBI said it has been closely and continuously monitoring the liquidity conditions in the forex market and has stepped in as needed in all its segments to alleviate dollar tightness with the objective of ensuring orderly market functioning. It announced five measures to enhance foreign exchange inflows. The Indian rupee, RBI said has depreciated by 4.1 per cent against the US dollar

during the current financial year so far (up to July 5), which is modest relative to other EMEs and even major Advanced Economies (AEs).

In its statement, RBI said the global outlook is clouded by recession risks.

Consequently, high risk aversion has gripped financial markets, producing surges of volatility, sell-offs of risk assets and large spillovers, including flights to safety and safe haven demand for the US dollar, it said.

(source : https://www.business-standard.com/article/finance/rbi-measures-should-help-rupee-outperform-peers-in-emerging-mkts-experts-122070601322_1.html)

COVID-19 was delivered an enormous global shock, leading to steep recessions in many countries. Many countries have provided large-scale macro-economic support to alleviate the economic blow, which has contributed to a recent stabilization in financial markets. Central banks in advanced economies have cut policy rates and taken other far-reaching steps to provide liquidity and to maintain investor confidence. Stronger multilateral cooperation and a more balanced policy mix at the national level, considering available monetary and fiscal space, are essential for strengthening economic activity and forestalling downside risks. Building financial resilience, strengthening growth potential, and enhancing inclusiveness remain overarching goals.

COMPANY BUSINESS:

The Company is a RBI registered Full Fledge Money Changer.

In money changing, the Company provides an array of products and services including buying and selling of foreign currency notes, servicing of co-branded International prepaid multicurrency travel cards, issuance of foreign currency demand drafts, travelers' cheques and outward telegraphic remittances, including outbound remittances towards student fees, film shoots, tour remittances etc. and also extend encasements of foreign currency demand drafts, travelers' cheques and forex prepaid cards.

OUTLOOK, OPPORTUNITIES AND THREATS:

Every year sees global currencies jostle for position, although lately it has been a race to the bottom, with more than 30 central banks around the world cutting interest rates in a desperate bid to avoid falling into recession.

Low interest rates typically mean a weak currency, as investors can get a better return on their money elsewhere.

The Government of India's initiatives in boosting up its public expenditure on Infrastructure development will give an impetus to its "MAKE IN INDIA" policy. India is being the most sought after Investment destination for many Investors world over. Hence, this augurs well for the Company business as there will be inflow of Capital Investment giving a boost to Company's Money changing business.

Also surge in growth of travel and hotel industry shall lead to betterment of company's operations and the company is looking forward for the same.

Further, the comparative slower growth globally as compared to Asian Countries coupled with the challenges faced through the advancement of the world digital economy and India too encouraging digitization, the Company's management though expects new challenges, it does not foresee any immediate threat to its core business activities and in fact its efforts are being channelized to seize the newer methodologies to counter the challenges faced.

RISKS AND CONCERNS:

Company has laid down a detailed risk management policy, customer identification and acceptance procedure. The financial risks involved are evaluated through a well laid down procedure. However, all the inherent business risks are adequately insured by the Company. Exchange rate volatility is not only faced by the Company but is attuned to the forex industry globally. To mitigate the said risks Company closely monitors the exchange rate movement.

INTERNAL CONTROL SYSTEM:

The Company has already put in place an elaborate Internal Control and Internal Audit systems. The system ensures adequate periodical checks and balances are exercised. Continuous monitoring by the Internal Audit team of these checks and balances due to the inherent risks associated with the nature of Company's activities ensures compliance of the regulatory framework of RBI & FIU. The Audit team is suitably guided and updated by the Audit Committee of the various regulatory requirements from time to time. The Company has put in place a strict credit policy for extending credit to its corporate

customers. The same is continuously monitored and reviewed periodically for any updating to ensure funds at Company's disposal are being judiciously utilized and efficiently managed vis-à-vis the business requirements. The Management Discussion and Analysis explaining the objectives of the Company, the opportunities and threats, the outlook for the future, the risks and concerns have to be read with the meaning of relevant applicable laws and regulations. The actual above. As in any other business the performance of the Company is totally dependent on the market conditions of demand and supply, the volatility in exchange rate, the Government policy & regulations, the economy of the country and other factors.

FINANCIAL PERFORMANCE

This year had a very bad impact on company's financial as well as operational performance

The Company has incurred Net loss for the year ended 31st March 2022 of Rs.-7.01/- Lakhs as compared to previous year loss of Rs./ -28.22/- Lakhs. Further there has been no significant changes (i.e. change of 25% or more as compared to the immediately previous financial year) in key financial ratios of the Company.

SEGMENT WISE PERFORMANCE:

Our company's operations belong to a single segment and therefore no segment wise performance given.

MATERIAL DEVELOPMENT IN HUMAN RESOURCES:

Your Company being part of the sector, human resources has always been the main pillar for all the activities of the Company. Customer Satisfaction being the ultimate objective of the Company, to ensure sustained business growth. Company's focus has been

to improve the staff's contribution towards the various services offered. To achieve this objective Company has ensured that all its employees receive continuous update on the Company's policies as well as the regulatory framework.

For and on behalf of the Board

Harsad Shantilal Gandhi
Chairman & Director
(DIN: 01056779)

Place: Ahmedabad
Date: 10/08/2021

“Annexure-3”

Disclosures Regarding Remuneration Required Under Section 197(12) Of The Companies Act, 2013 Read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

Sr. No.	Requirements	Disclosure	
I.	The ratio of remuneration to each director to the median remuneration of the employees for the financial year	MD	NIL
II.	The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary in the financial year	-	NIL
III.	The percentage increase in the median remuneration of employees in the financial year	No Increase	
IV.	The number of permanent employees on the rolls of the Company as on 31 st March, 2022.	3	
V.	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration.	Nil	
VI.	Affirmation that the remuneration is as per the remuneration policy of the Company	Yes, it is confirmed	

For and on behalf of the Board

Place: Ahmedabad
Date: 10/08/2022

Harsad Shantilal Gandhi
Chairman & Director
(DIN: 01056779)

INDEPENDENT AUDITOR'S REPORT

To
The Members of
Charms Industries Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of **Charms Industries Limited** ("the Company") which comprise the Balance Sheet as at March 31, 2022 and the Statement of Profit and Loss (including the Other Comprehensive Income), the Statement of Changes in Equity and the 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 the "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 ("Ind AS") prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, the loss and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing ("SA's") 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 ("ICAI") 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 obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the financial statement.

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 Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that if there is a material misstatement of this other information, we are required to communicate the matter to those charged with governance and take necessary actions, as applicable under the relevant laws and regulations.

Management's and Board of Directors' Responsibilities for the Financial Statements

The Company's Management and Board of Directors are responsible for the matters stated in Section 134(5) of the Companies Act, 2013 with respect to the preparation of these financial statements that give a true and fair view of the state of affairs, profit/loss and other comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of 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, management and 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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibility for 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 SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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

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

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

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 auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. (A) 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.
 - (c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the Cash Flows dealt with by this report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act.
 - (e) On the basis of written representations received from the directors of the Company as on 31st March, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2022 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 with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- (B) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us :
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements.
 - ii. The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

iv. (1) 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:

- Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company or
- Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(2) 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:

- Directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Party or
- provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries; and

(3) Based on such audit procedures as 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 (d) (i) and (d) (ii) contain any material mis-statement.

v. The company has not declared or paid any dividend during the year, hence there is non compliance with Section 123 of the Act.

(C) With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

**For Ashit N Shah & Co
Chartered Accountants
FRN: 100624W**

**Ashit N. Shah
(Proprietor)
Membership No. 036857
UDIN: 22036857ALHKGE4337**

**Place : Ahmedabad
Date: 27-05-2022**

Annexure 'A' to the Independent Auditor's Report

With reference to the "Annexure A" referred to in the Independent Auditor's Report to the members of the Company on the Ind AS Financial statements for the year ended 31st March, 2022, we report the following:

(Referred to in paragraph 1 under the heading of "Report on Other Legal and Regulatory Requirements" of our report of even date.)

- i.
 - a. (i) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
(ii) According to the information and explanation given to us, the company does not has any intangible assets.
 - b. The Property, Plant and Equipment have been physically verified by the management during the year, which in our opinion is reasonable having regard to the size & nature of the company. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
 - c. According to the information and explanations given to us we report that the title deeds, comprising all the immovable properties of land and buildings are not held in the name of the Company as at the balance sheet date. The title deeds of immovable properties are not produced before us for verification.
 - d. The Company has not revalued any of its property, plant and equipment (including Right of Use assets) and intangible assets during the year.
 - e. In our opinion according to the information and explanations given to us, there are no proceedings initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made there under.
- ii.
 - a. The Company's business does not involve inventories and, accordingly, the requirements under clause (ii) (a) of the Order are not applicable to the Company and hence not commented upon.
 - b. According to the information and explanations given to us, at any point of time of the year, the Company has not been sanctioned any working capital facility from banks or financial institutions on the basis of security of current assets, and hence reporting under clause (ii)(b) of the Order is not applicable.
- iii. According to the information and explanation given to us, during the year the Company has not made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties.
- iv. In our opinion and according to the information and explanations given to us, during the current financial year, the company has not given/made any loan, investment, guarantee and security and accordingly provisions of section 185 and 186 of the Act are not applicable.
- v. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposit or amounts which are deemed to be deposits and hence the provisions of Section 73 to 76 or any other relevant provisions of the Companies Act and the

Companies (Acceptance of Deposits) Rules, 2014, with regard to the deposits accepted are not applicable to the Company. Therefore, the provisions of clause (v) of paragraph 3 of the Order are not applicable to the company.

- vi. According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Companies Act, the products manufactured by it (and/ or services provided by it). Accordingly, clause 3(vi) of the Order is not applicable.

vii.

a. In our opinion and according to the information and explanations given to us, the company is generally regular in depositing undisputed statutory dues of provident fund, employee state insurance, tax deducted at source and GST. We were informed that operation of the Company did not give rise to duty of customs, duty of excise, value added tax, cess.

b. According to the information and explanation given to us, there is no due on account of income tax, sales tax, service tax, duty of customs, duty of excise, value added tax which have not been deposited on account of dispute.

viii. According to the information and explanations given to us, there were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.

ix.

a. As per the information and explanation given to us, the Company has not defaulted in repayment of loans or borrowing to banks and financial institutions during the year

b. The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.

c. In our opinion and according to the information and explanations given to us, the company has utilized the money obtained by way of term loans during the year for the purpose for which they were obtained.

d. According to the information and explanations given to us and on an overall examination of the balance sheet of the company, we report that no funds raised on short term basis have been used for long term investment by the company.

e. According to the information and explanations given to us and on an overall examination of the balance sheet of the company, we report that the company has not taken funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.

f. In our opinion and according to the information and explanations given to us, during the year the company has not raised loans on the pledge of securities held in its subsidiaries, joint ventures or associate companies.

x.

a. The Company has not raised monies by way of initial public offer or further public offer (including debt instruments) or term loans. Therefore, reporting under paragraph 3(x) of the Order is not applicable.

b. According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.

xi.

a. To the best of our knowledge and according to the information and explanations given to us, no material fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

b. To the best of our knowledge and according to the information and explanations given to us, no report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.

c. To the best of our knowledge and according to the information and explanations given to us, Section 177(9) of Companies Act, 2013 is not applicable to company and as per representation received from

management there are no whistleblower complaints received during the year. Therefore, reporting under paragraph 3(xi)(c) of the Order is not applicable.

- xii. According to the information and explanations given to us, the Company is not a Nidhi Company. Therefore, reporting under paragraph (xii) of the Order is not applicable.
- xiii. According to the information and explanations given to us, based on our examination of the records of the Company and approval has been obtained from audit committee and Board of Directors, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable Indian accounting standards.
- xiv.
 - a. In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
 - b. According to the information and explanations given to us, Company has not appointed internal auditors. Therefore, clause xiv of the order is not applicable.
- xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- xvi. 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. Hence, reporting under clause (xvi)(a), (b), (c) and (d) of the Order is not applicable.
- xvii. The Company has incurred cash losses during the financial year covered by our audit and the immediately preceding financial year amounting to Rs. 6.63 Lakhs and Rs. 27.20 Lakhs respectively.
- 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 and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- xx. According to the information and explanations given to us, the Company is not required to spend for CSR as per 135(5) of companies Act, 2013. Hence reporting under clause 3(xx) of the Order is not applicable.

For Ashit N Shah & Co
Chartered Accountants
(Firm Reg No. -100624W)

Ashit Shah
(Proprietor)
Mem. No. 036857
UDIN: 22036857ALHKGE4337

Place: Ahmedabad
Date: 27-05-2022

Annexure B to Independent Auditors' Report

(Referred to in paragraph 2(A)(f)] under the heading of "Report on Other Legal and Regulatory Requirements" of our report of even date.)

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

Opinion

We have audited the Internal Financial Controls over financial reporting of **Charms Industries Limited** ("the Company") as of March 31, 2022 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

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 over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Management's and Board of Directors' Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

For Ashit N Shah & Co
Chartered Accountants
FRN: 100624W

Place : : Ahmedabad
Date: 27-05-2022

Ashit Shah
(Proprietor)
Membership No: 036857
UDIN:22036857ALHKG4337

Balance Sheet as at 31st March, 2022

Sr. No.	Particulars	Note No.	As at 31st March, 2022	As at 31st March, 2021
	ASSETS			
1.	Non-current assets			
	(a) Property, Plant & machinery	4	5,12,195	5,49,696
	(b) Financial Assets			
	i) Investment	5	33,03,000	33,03,000
	ii) Other Financial Assets		-	-
	(c) Other non-current assets		-	-
	Total Non-Current Assets		38,15,195	38,52,696
2.	Current assets			
	(a) Financial Assets			
	(i) Investments		-	-
	(ii) Trade receivables		-	-
	(ii) Cash and cash equivalents	6	14,82,662	22,77,252
	(b) Other current assets	7	3,07,668	7,668
	Total Current Assets		17,90,330	22,84,920
	TOTAL ASSETS		56,05,525	61,37,616
	EQUITY AND LIABILITIES			
	EQUITY			
	(a) Equity Share Capital	8	4,10,61,000	4,10,61,000
	(b) Other Equity	9	(3,66,61,498)	(3,59,61,016)
	Total equity attributable to owners of the company		43,99,502	50,99,984
	LIABILITIES			
	(1) Non-current liabilities			
	(a) Provisions			
	(b) Deferred Tax Liability(Net)	10	54,402	54,273
	Total Non-Current Liabilities		54,402	54,273
	(2) Current Liabilities			
	(a) Financial Liabilities			
	(i) Borrowings	11	5,00,000	-
	(ii) Trade payables		-	-
	(iii) Other Financial Liabilities		-	-
	(b) Other Current Liabilities	12	2,16,201	6,17,610
	(c) Provisions	13	4,35,421	3,65,750
	Total Current Liabilities		11,51,622	9,83,360

	TOTAL EQUITY & LIABILITIES		56,05,525	61,37,616
	The accompanying notes form an integral part of the financial statements			

In terms of our report attached.

For, Ashit N Shah & Co

Chartered Accountants

(FRN : 100624W)

Ashit Shah

Proprietor

Mem . No. : 036857

Date : 27-05-2022

Place : Ahmedabad

For and on behalf of the Board of Directors

Charms Industries Limited

**Biren J.
Thaker
CFO**

**Shivkumar R
Chauhan
Managing Director**

(DIN:00841729)

**Harshad S
Gandhi
Director**

(DIN:00841729)

Dileep Panchal

**Company
Secretary**

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2022

Sr. No.	PARTICULARS	Note No.	Year Ended 31st March, 2022	Year Ended 31st March, 2021
			Rs.	Rs.
I	Revenue from operations:	14	-	3,75,000
	Sale of Products			
	Sale of Services			
	Other Operating Revenues			
	Less: Excise Duty			
	Increase in Inventory			
II	Other Income	15	5,75,081	2,16,936
III	Total Revenue (I + II)		5,75,081	5,91,936
IV	Expenses			
	Cost of Materials Consumed		-	-
	Purchases of Stock in Trade		-	3,71,250
	Changes in inventories of finished goods, work in progress and Stock-in-trade	16	-	2,500
	Employee benefits expense	17	1,02,500	3,30,000
	Finance Costs		-	-
	Depreciation and amortization expense	4	37,500	37,500
	Other expense	18	11,35,434	26,08,072
	Total Expense		12,75,434	33,49,322
V	Profit before exceptional and extraordinary items and tax (III-IV)			(27,57,386)
VI	Exceptional Items-Depreciation adjustments			-
VII	Profit before extraordinary items and tax (V-VI)			(27,57,386)
VIII	Extraordinary items			-
V	Profit before tax (III-IV)		(7,00,353)	(27,57,386)
VI	Tax expense:			
	(1) Current tax		-	-
	(2) Deferred tax		129	64,142
			129	64,142
VII	Profit for the period (V -VI)		(7,00,482)	(28,21,528)
VIII	Other Comprehensive Income		-	-
	A (i) Items that will not be reclassified to profit or loss		-	-
	(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-
	B (i) Items that will be reclassified to profit or loss		-	-
	(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
	Sub-total (A+B)		-	-
IX	Total Comprehensive Income for the period (VII + VIII) (Comprising Profit and Other Comprehensive Income for the period)		(7,00,482)	(28,21,528)
XVI	Earnings per equity share:	19		
	(1) Basic		(0.17)	(0.69)
	(2) Diluted		(0.17)	(0.69)
	The accompanying notes form an integral part of the financial statements			

In terms of our report attached.

For, Ashit N Shah & Co

Chartered Accountants

(FRN : 100624W)

Ashit Shah**Proprietor****Mem . No. : 036857****Date : 27-05-2022****Place : Ahmedabad**

For and on behalf of the Board of Directors

Charms Industries Limited**Biren J.
Thaker
CFO****Shivkumar R
Chauhan
Managing Director****(DIN:00841729)****Harshad S
Gandhi
Director****(DIN:00841729)****Dileep Panchal
Company
Secretary**

Statement of Changes in Equity for the year ended 31st March, 2022

Particulars	Attributable to the equity holders of the company			
	Reserves and Surplus			Total
	Equity Share Capital	Net Surplus in Statement of P&L	General Reserve	
-				
Balance as at 31st March, 2020	4,10,61,000	(3,62,86,017)	31,46,529	79,21,512
Profit for the year	-	(28,21,528)	-	(28,21,528)
Add/(Less): Other comprehensive Income	-	-	-	-
Balance as at 31st March, 2021	4,10,61,000	(3,91,07,545)	31,46,529	50,99,984
Profit for the year	-	(7,00,482)	-	(7,00,482)
Add/(Less): Other comprehensive Income	-	-	-	-
Balance as at 31st March, 2022	4,10,61,000	(3,98,08,027)	31,46,529	43,99,502

Note : Figures in brackets indicate negative figures.

The previous year's figures have been regrouped and reclassified wherever necessary.

In terms of our report of even date

For, Ashit N Shah & Co

Chartered Accountants

(FRN : 100624W)

Ashit Shah
Proprietor

Mem . No. : 036857

Date : 27-05-2022

Place : Ahmedabad

For and on behalf of the Board of Directors

Charms Industries Limited

Biren J. Thaker

CFO

Shivkumar R Chauhan
Managing Director

(DIN:00841729)

Harshad S Gandhi
Director

(DIN:00841729

)

Dileep Panchal

Company
Secretary

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2022

Sr.No.	Particulars	For the year ended 31st March, 2022 Rs.	For the year ended 31st March, 2021 Rs.
A.	CASH FLOW FROM OPERATING ACTIVITIES		
	Net Profit Before Tax	(7,00,353)	(27,57,386)
	Adjustment for		
	Add :		
	Interest and Finance Charges	-	-
	Depreciation	37,500	37,500
	Less:		
	Profit on sale of Property, Plant and Equipment		-
		37,500	37,500
	Operating Profit Before Working Capital Changes	(6,62,853)	(27,19,886)
	(Increase) / Decrease in Current Assets		
	Trade and Other Receivables	-	-
	Inventories	-	2,500
	Other current assets	(3,00,000)	11,75,827
	Increase / (Decrease) in Current Liabilities		
	Trade and Other Payables	4	(4,64,808)
	Other current Liabilities	(3,31,741)	8,06,642
	Cash Generated From Operations		
	Direct Taxes Paid	-	-
	NET CASH INFLOW / (OUTFLOW) FROM OPERATING ACTIVITIES (A)	(12,94,590)	(11,99,725)
B.	CASH FLOW FROM INVESTING ACTIVITIES		
	Proceeds from Investments	-	-
	Increase/Decrease in deposits	-	16,00,000
	NET CASH INFLOW / (OUTFLOW) FROM INVESTING ACTIVITIES (B)	-	16,00,000
C.	CASH FLOW USED IN FINANCING ACTIVITIES		
	Repayment of long Term Borrowings	-	(4,00,000)
	Proceeds from Short Term Borrowings	5,00,000	-
	NET CASH INFLOW / (OUTFLOW) FROM FINANCING ACTIVITIES (C)	5,00,000	(4,00,000)
	Net Increase / (Decrease) in Cash and Cash Equivalents (A+B+C)	(7,94,590)	275
	Add : Cash and Cash Equivalents balance as at 1st April	22,77,252	22,76,977
	Cash and Cash Equivalents as at 31st March	14,82,662	22,77,252
The accompanying Notes are integral part of these Financial Statements.			
The previous year's figures have been regrouped and reclassified wherever necessary.			

In terms of our report even date

For, Ashit N Shah & Co

Chartered Accountants

(FRN : 100624W)

Ashit Shah

Proprietor

Mem . No. : 036857

Date : 27-05-2022

Place : Ahmedabad

For and on behalf of the Board of Directors

Charms Industries Limited

Biren J.
Thaker
CFOShivkumar R
Chauhan
Managing Director

(DIN:00841729)

Harshad S
Gandhi
Director

(DIN:00841729)

Dileep Panchal

Company
Secretary

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022**Company Overview & Significant Accounting Policies****1. Reporting Entity**

Charms Industries Limited (the 'Company') is a Company domiciled in India, with its registered offices situated at 108/8-109, Sampada Complex, Mithakhali six roads, Opp. Harekrishna Complex, Ahmedabad - 380009, Gujarat. The Company has been incorporated under the provisions of Companies Act, 2013. The Company is primarily involved in Money Changer activity. The company has been registered as a Money Changer with the Reserve Bank of India.

2. Basis of preparation**a. Statement of compliance with Ind AS**

These financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) (Amendment) Rules, 2016 notified under Section 133 of Companies Act, 2013 (the 'Act') and other relevant provisions of the Act. The Company has adopted all the relevant Ind AS and the adoption was carried out in accordance with Ind AS 101, "First Time Adoption of Indian Accounting Standards". The transition was carried out from Indian Accounting Principles generally accepted in India as prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (IGAAP), which was the previous GAAP.

b. Functional and presentation currency

These financial statements are presented in Indian Rupees (INR), which is also the functional currency.

Basis of Measurement

The financial statements have been prepared on the historical cost basis.

c. Use of Estimates and Judgments:

In preparing these financial statements, management has made judgments, estimates, and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, incomes and expenses. Actual results may differ from these estimates.

Estimates:

Estimates and underlying assumptions are reviewed on an ongoing basis. They are based on historical experience and other factors including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances. Revisions to the accounting estimates are recognized prospectively.

Judgments:

Information about judgments made in applying accounting policies that have the most significant effects on the amounts recognized in the financial statements is included in the respective note.

Assumptions and Estimation Uncertainties:

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment within the next financial year are included in the respective note.

d. Measurement of Fair Values:

The Company has established control framework with Respect to the measurement of Fair values. The Company regularly reviews significant unobservable inputs and valuation

adjustments. If third party information, such as broker quotes or pricing services, issued to measure fair values, then the Company assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of IndAS, including the level in fair value hierarchy in which the valuations should be classified.

Significant valuation issues are reported to the Company's Board of Directors.

Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the

Level 1 - quoted (unadjusted) market prices in active markets for identical assets or liabilities.

Level 2- inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 - inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

Further information about the assumptions made in measuring fair values is included in the respective note.

3. Significant Accounting Policies

1. Financial Instruments

A. Financial Assets:

i.) Classification:

The Company classifies its financial assets in the following measurement categories:

- Those measured at amortized cost and
- Those to be measured subsequently at either 'Fair value through other comprehensive income' (FVTOCI) or 'Fair value through profit or loss' (FVTPL).

The classification depends on the Company's business model for managing the financial assets and the contractual terms of the cash flows.

- A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as at FVTPL :
 - the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
 - the contractual terms of a financial asset give rise on specified dates to cash flows that are solely payments of Principal and interest on the principal amount outstanding.
- A debt investment is measured at FVOCI if it meets both following conditions and is not designated as at FVTPL:
 - the asset 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.
- Financial assets are not reclassified subsequent to their initial recognition except if and in the period the Company changes its business model for managing financial assets.

ii.) Measurement

At initial recognition, the Company measures a financial asset when it becomes a party to the contractual provisions of the instruments and measures at its fair value. Transaction costs are incremental costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Subsequent Measurement and Gains and Losses

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains including any interest or dividend income, are recognized in profit or loss.
Financial assets at amortized cost	These assets are subsequently measured at amortized cost using the effective interest method. The amortized cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognized in profit or loss. Any gain or loss on de-recognition is recognized in profit or loss.

iii.) De-recognition

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Company enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognized.

B. Financial Liabilities:**(i) Classification, Subsequent Measurement and Gains and losses**

Financial liabilities are classified as measured at Historical cost. Government of Gujarat, in capacity of the Promoter of the company, provides investment funds in form of interest free loans having specific directions to invest in equity shares of Group Entities of the company in terms of CIC directions. Investment funds, released as loan by GoG, when received for investment in equity are recognized as financial liabilities. There exist an obligation, however, the terms and conditions do not specify that whether the loan is repayable on demand and also fixed repayment schedule is not specified. Considering the said fact it is not possible to value such financial liability at amortized cost.

ii) De-recognition

The Company derecognizes a financial liability when its contractual obligations are discharged or cancelled, or expire.

The Company also derecognizes a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognized at fair value. The difference between the

carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognized in the profit or loss.

C. Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the Balance Sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realize the asset and settle the liability simultaneously.

D. Investments in Associates and Subsidiaries

Investments in associates are carried at cost in the separate financial statements. Subsidiaries are valued at Fair Value.

2. Property, Plant and Equipment

i. Recognition and Measurement

Items of property, plant and equipment are measured at cost, which includes capitalized borrowing costs, less accumulated depreciation, and accumulated impairment losses, if any.

Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Useful lives have been determined in accordance with Schedule II to the Companies Act, 2013. The residual values are not more than 5% of the original cost of the asset.

Any gain or loss on disposal of an item of property, plant and equipment is recognized in profit or loss.

ii. Subsequent Expenditure

Subsequent expenditure is capitalized only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

iii. Depreciation

Depreciation is calculated on cost of items of property, plant and equipment less their estimated residual values over their estimated useful lives using the written down value method and is recognized in the statement of profit and loss.

Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate. Based on technical evaluation and consequent advice, the management believes that its estimates of useful lives best represent the period over which management expects to use these assets.

Depreciation on additions (disposals) is provided on a pro-rata basis i.e. from (up to) the date on which asset is ready for use (disposed of).

iv. Derecognition

An item of Property, Plant and Equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of assets.

3. Impairment

i. Impairment of Financial Assets

In accordance with Ind AS 109, the Company uses 'Expected Credit Loss' (ECL) model, for valuating impairment of financial assets other than those measured at fair value through profit and loss (FVTPL). At each reporting date, the Company assesses whether financial assets carried at

amortized cost are credit impaired. 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.

Measurement of Expected Credit Losses

The 12-months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or

Full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument)

Loss allowances for financial assets measured at amortized cost are deducted from the gross carrying amount of the assets.

ii. Impairment of Non-Financial Assets

The Company's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

An impairment loss is recognized if the carrying amount of an asset exceeds its estimated recoverable amount. Impairment losses are recognized in the Statement of Profit and Loss.

In respect of assets for which impairment loss has been recognized in prior periods, the Company reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

4. Employee Benefits

i. Short Term Employee Benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided.

ii. Defined Contribution Plan

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. The Company makes specified monthly contributions towards Government administered provident fund scheme. Obligations for contributions to defined contribution plans are recognized as an employee benefit expense in profit or loss in the periods during which the related services are rendered by employees.

Prepaid contributions are recognized as an asset to the extent that a cash refund or a reduction in future payments is available.

iii. Defined Benefit Plan

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Company's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount using market yields at the end of reporting period on government bonds.

The calculation of defined benefit obligation is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Company, the recognized asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan ('the Asset Ceiling'). In order to calculate the present value of economic benefits, consideration is given to any minimum funding requirements.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service ('past service cost' or 'past service gain') or the gain or loss on curtailment is recognized immediately in profit or loss. The Company recognizes gains and losses on the settlement of a defined benefit plan when the settlement occurs.

Re-measurement of defined benefit plans in respect of post-employment are charged to the Other Comprehensive Income.

5. Provisions (other than Employee Benefits), Contingent Liabilities and Contingent Assets

A provision is recognized when the Company has a present legal obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which reliable estimate can be made. Provisions are determined based on best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. Contingent liabilities are not recognized but are disclosed in the notes to the financial statements. A contingent asset is neither recognized nor disclosed if inflow of economic benefit is probable.

6. Recognition of Dividend Income, Interest Income

Income from dividend is accounted as and when such dividend has been declared and the company's right to receive payment is established.

Interest income is recognized on a time proportion basis, taking in the account the amount outstanding and the rate applicable.

7. Income Tax

Income tax comprises current and deferred tax. It is recognized in profit or loss except to the extent that it relates to a business combination or to an item recognized directly in equity or in other comprehensive income.

(i) Current Tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date. Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to setoff the recognized amounts, and it is intended to realize the asset and settle the liability on a net basis or simultaneously.

(ii) Deferred Tax

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes.

Deferred tax assets are recognized to the extent that it is probable that future taxable profits will be available against which they can be used.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset only if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different taxable entities, but they intend to settle current tax liabilities and assets on net basis or their tax assets and liabilities will be realized simultaneously.

8. Cash and Cash Equivalents

Cash and cash equivalents include cash and cheques in hand, bank balances, demand deposits with banks and other short term highly liquid Investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value where original maturity is three months or less.

9. Earnings per Share

Basic earnings per share is calculated by dividing the net profit after tax for the year attributable to equity share holders of the Company by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is calculated by dividing net profit attributable to equity share holders (after adjustment for diluted earnings) by average number of weighted equity shares outstanding during the year plus potential equity shares.

10. Cash Flow Statement

Cash flows are reported using the indirect method where by the profit before tax is adjusted for the effect of the transactions of a non-cash nature, any deferrals or accruals of past and future operating cash receipts or payments and items of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

Notes to the Financial Statements as at 31st March, 2022

NOTES 4 Property, Plant & machinery

(Amount in INR)

SR NO.	DESCRIPTION OF ASSETS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
		As on 01/04/2021	Addition During the Year	Deducti on During the Year	As on 31/03/2022	As on 01/04/2021	Depreciati on for the Year	Deduction/Addition due to adjustment During the Year	As on 31/03/2022	As on 31/03/2022	As on 31/03/2021
1	Office Building	9,99,076	-	-	9,99,076	8,22,914	26,992	-	8,49,906	1,49,170	1,76,162
2	Office Partition	12,340	-	-	12,340	12,340	-	-	12,340	-	-
3	Furniture & Fixtures	9,39,641	-	-	9,39,641	9,20,781	-	-	9,20,781	18,860	18,860
4	Computer	24,59,436	-	-	24,59,436	24,50,518	-	-	24,50,518	8,918	8,918
5	Printer	12,600	-	-	12,600	7,978	3,988	-	11,966	634	4,622
6	Physical Health Recorders	70,00,000	-	-	70,00,000	67,13,349	-	-	67,13,349	2,86,651	2,86,652
7	Air Conditioner	90,847	-	-	90,847	89,328	-	-	89,328	1,519	1,519
8	Office Equipment	7,950	-	-	7,950	7,950	-	-	7,950	-	-
9	Vehicle	19,20,791	-	-	19,20,791	18,77,759	-	-	18,77,759	43,032	43,032
10	Television	40,000	-	-	40,000	30,068	6,520	-	36,588	3,412	9,932
	Total	1,34,82,681	-	-	1,34,82,681	1,29,32,985	37,500	-	1,29,70,484	5,12,195	5,49,696
	Previous Year	1,34,82,681	-	-	1,34,82,681	1,28,95,486	37,500	-	1,29,32,985	5,49,696	5,87,195

Note - 5 Investment

Sr. No	Particulars	As at 31st March, 2022 Rs.	As at 31st March, 2021 Rs.
	Non current Investments		
	In-House Property	33,03,000	33,03,000
	Total	33,03,000	33,03,000

Note - 6 Cash & Cash Equivalents

Sr. No	Particulars	As at 31st March, 2022 Rs.	As at 31st March, 2021 Rs.
1	Cash on Hand	36,246	36,946
2	Balances with Banks	14,46,416	22,40,406
	Total	14,82,662	22,77,252

Note - 7 Other Current Assets

Sr. No	Particulars	As at 31st March, 2022 Rs.	As at 31st March, 2021 Rs.
1	Advances other than capital advances		
	(a) Other Advances		
	(i) Balance with Government Authorities	7,668	7,668
	(v) Other advances	3,00,000	-
2	Others		
	Interest receivable on loans	-	-
	Total	3,07,668	7,668

Note - 8 Equity Share Capital

Sr. No	Particulars	As at 31st March, 2022 Rs.	As at 31st March, 2021 Rs.
1	AUTHORIZED SHARE CAPITAL		
	45,00,000 Equity Shares of Rs. 10/- each	4,50,00,000	4,50,00,000
	[Previous Year : 45,00,000 Equity Shares of Rs.10/- each]		
	Total	4,50,00,000	4,50,00,000
	-	-	-
2	ISSUED, SUBSCRIBED & FULLY PAID UP CAPITAL		
	41,06,100 Equity Shares of Rs.10/- each fully paid-up.	4,10,61,000	4,10,61,000
	[Previous Year : 41,06,100 Equity Shares of Rs.10/- each]		
	Total	4,10,61,000	4,10,61,000

The reconciliation of the number of Equity Shares outstanding as at 31st March 2022 is set out below :

8.1

Particulars		As at 31st March, 2022	
		No. of shares	Rs.
	Shares outstanding at the beginning of the year	41,06,100	4,10,61,000
Add:	Shares issued during the year	-	-
	Shares outstanding at the end of the year	41,06,100	4,10,61,000

8.2 Rights, preferences and restrictions attached to Equity Shares

The company has one class of equity shares having a par value of Rs.10 each. Each shareholder is eligible for one vote per share held. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

8.3 The details of shareholders holding more than 5% shares are set out below

Name of the shareholders	As at 31 st March, 2022	
	No. of Shares	% of holding
Shivkumar R Chauhan	9,68,540	24%

Note - 9 Other Equity

Sr. No.	Particulars	As at 31 st March, 2022 Rs.	As at 31 st March, 2021 Rs.
A	Retained Earnings	-	-
	Balance as per last Financial year	(3,91,07,545)	(3,62,96,017)
	Add : Profit for the year	(7,00,482)	(28,21,528)
	Adjustments as per Ind AS	-	-
		(3,98,08,027)	(3,91,07,545)
B	Capital Reserve	31,46,529	31,46,529
	-	-	-
	Total	(3,66,61,498)	(3,59,61,016)

Note - 10 Deferred Tax Liability(Net)

Sr. No.	Particulars	As at 31 st March, 2022 Rs.	As at 31 st March, 2021 Rs.
1	DEFERRED TAX LIABILITIES :		
	Arising on account of timing difference		
	- Fixed Assets : Impact of difference between Tax Depreciation and		
	Depreciation / amortization charged for the financial reporting	54,402	54,273
	TOTAL DEFERRED TAX LIABILITIES	54,402	54,273
	Total	54,402	54,273
10.1	Reconciliation of deferred tax liabilities(Net):		
	Particulars	31st March, 2022	31st March, 2021
	Opening balance	54,273	(9,868)
	Tax (income)/expense during the period recognized in profit or loss	129	64,141
	Tax (income)/expense during the period recognized in other comprehensive income	-	-
	Tax (income)/expense during the period recognized directly in other equity	-	-
	Closing balance	54,402	54,273

Note - 11 Borrowings

Sr. No.	Particulars	As at 31 st March, 2022 Rs.	As at 31 st March, 2021 Rs.
	(a) From Other	5,00,000	-
	Total	5,00,000	-

Note - 12 Other Current Liabilities

Sr. No.	Particulars	As at 31 st March, 2022 Rs.	As at 31 st March, 2021 Rs.
1	Other Payables*	2,16,201	6,17,610
	Total	2,16,201	6,17,610

* Includes Statutory Dues

Note - 13 Provisions

Sr. No.	Particulars	As at 31st March, 2022 Rs.	As at 31st March, 2021 Rs.
1	Provision for employee benefits		
	Unpaid salary	3,14,000	3,00,000
2	Others		
	Provision for Expenses	1,21,421	65,750
	Total	4,35,421	3,65,750

Note: 14 Revenue from Operations

Sr. No	PARTICULARS	Year Ended 31st March, 2022 Rs.	Year Ended 31st March, 2021 Rs.
1	Revenue from operations	-	3,75,000
	Total	-	3,75,000

Note: 15 Other Income

Sr. No	PARTICULARS	Year Ended 31st March, 2022 Rs.	Year Ended 31st March, 2021 Rs.
1	Interest Income	5,000	1,27,545
2	Other Non Operating Income :		
	Other Income	110	89,391
	Sundry Balances Written off	5,69,971	-
	Total	5,75,081	2,16,936

Note: 16 Changes in Inventories of Finished Goods, Work-In-Progress And Stock-In-Trade

Sr. No	PARTICULARS	Year Ended 31st March, 2022 Rs.	Year Ended 31st March, 2021 Rs.
	Opening Stock		
	Stock-in-Trade	-	2,500
	Total (A)	-	2,500
	Closing Stock		
	Stock-in-Trade	-	-
	Total (B)	-	-
	Total (A-B)	-	2,500

Note: 17 Employee Benefits Expense

Sr. No	PARTICULARS	Year Ended 31st March, 2022 Rs.	Year Ended 31st March, 2021 Rs.
	Salary & Wages	1,02,500	3,30,000
	Total	1,02,500	3,30,000

Note - 18 Other Expenses

Sr. No	PARTICULARS	Year Ended 31st March, 2022 Rs.	Year Ended 31st March, 2021 Rs.
1	Administrative Expense		
	To Auditors		
	- Audit fees	35,000	35,000
	- Tax Audit fees	-	-
	- Other Professional fees	10,000	26,100
	Accounting Charges	15,500	25,500
	Electricity Charges	21,530	27,983
	Vehicles Expenses	1,42,961	76,641
	Advertisement Exp.	43,800	27,050
	Bank Charges	2,242	3,102
	Legal fees and Expenses	4,29,712	8,70,030
	Professional Charges	2,40,891	2,58,785
	Printing & Stationery Exp.	6,048	1,290
	Telephone Exp.	12,713	9,141
	Office Exp.	19,748	15,800
	Property Tax	26,290	60,864
	Website Expense	8,000	-
	Internet expense	3,999	
	Maintenance Expense	1,17,000	
	Advances written off	-	11,70,786
	Total	11,35,434	26,08,072

Note - 19 Earning Per Share

Sr. No	PARTICULARS	Year Ended 31st March, 2022 Rs.	Year Ended 31st March, 2021 Rs.
1	Net Profit attributable to the Equity Shareholders (A)	(7,00,482)	(28,21,528)
2	Weighted average number of Equity Shares outstanding during the period (B)	41,06,100	41,06,100
3	Nominal value of Equity Shares (Rs.)	10	10
4	Basic/Diluted Earnings per Share (Rs.) (A/B)	(0.17)	(0.69)

Note - 20 Related party disclosures

(A) Key management personnel (KMP):

Sr. No.	Name	Designation
1	Shivkumar R Chauhan	Managing Director
2	Harshad S Gandhi	Director
3	Nishit M Rupapara	Director
4	Nehalben S Chauhan	Independent Woman Director
5	Parth S Chauhan	Independent Director
6	Dileep Fanchal	Company Secretary
7	Biren J Thaker	CFO

(B) Other related parties:

Sr. No.	Particulars	Nature of relationship
1	Charms Forex Pvt Ltd	Entity under same management

20.1 Disclosures of Transactions between the Company and Related Parties and the status of outstanding balances as on 31st March, 2022:

Sr No.	Key Managerial Personnel	Nature of transaction	Year ended March 2022 (Amount in Rs.)	Year ended March 2021 (Amount in Rs.)
1	Charms Forex Pvt Ltd	Loan received	-	3,00,000
2	Charms Forex Pvt Ltd	Loan repaid	-	7,00,000
3	Shivkumar R Chauhan	Remuneration	-	3,00,000
4	Charms Forex Pvt Ltd	Closing Balance of loan	-	-

20.2 Breakup of compensation paid to key management personnel:

Sr. No.	Particulars	Key management personnel	Year ended 31st March, 2022	Year ended 31st March, 2021
1	Short-term employee benefits	Shivkumar R Chauhan	-	3,00,000
	Total		-	3,00,000

20.3 All transactions during the year with related parties are at arm's length and unsecured. No amount has been recognised as bad or doubtful in respect of transactions with the related parties.

Note - 21 Operating Segment

(a) Information about Reportable segment:

The company operates mainly in the Money Changer activities are incidental thereto. Hence there is no separate reportable segment.

Note - 22. Contingent Liabilities and Commitments (To the extent not provided for)

The Company do not have any contingent liabilities and commitments.

Note - 23

(A) Financial Risk Management Objectives and Policies

The Company's principal financial liabilities, comprise loans and borrowings and trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include trade and other receivables and cash and cash equivalents that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks and ensures that Company's financial risks are identified, measured and governed in accordance with the Company's policies and risk objectives. The Board of Directors reviews and agrees policies for managing each of these risks which are summarized below.

(i) Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk that affects the Company comprises of one element: Interest rate risk. Financial instruments affected by market risk include loans, borrowings and deposits.

Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to short term debt obligations with fixed interest rates.

(ii) Credit Risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract leading to a financial loss. The Company is exposed to credit risk from its operating activities and from its financing activities including deposits with banks and other financial instruments.

Trade Receivables

Customer credit risk is managed by the Company's policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on an extensive credit rating and individual credit limits are defined in accordance with this assessment. Outstanding customer receivables are regularly monitored. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial asset disclosed in respective note. The Company does not hold collateral as security.

Cash deposits

Credit risk from balances with banks is managed by the Company in accordance with its policies. These policies are set to minimize concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

(iii) Liquidity Risk

The Company manages its liquidity risk by using liquidity planning and balancing funds requirement vis-a-vis funds available. Various lines of credit available are used to optimize funding cost and ensuring that adequate funds are available for business operations.

(B) Capital Risk Management

The Company's objectives when managing capital are to:

- safeguard their ability to continue as a going concern so that they can continue to provide return for shareholders and benefits for other stakeholders.
- maintain an optimal capital structure to reduce the cost of capital.

The Company monitors capital on the basis of the following debt equity ratio

Particulars	As at 31st March, 2022 Rs.	As at 31st March, 2021 Rs.
Total Debt	5,00,000	-
Adjusted net debt	5,00,000	-
Total Equity		
Equity	4,10,61,000	4,10,61,000
Total debt to total equity ratio	0.01	-

Note - 24 Financial Instruments :

The Company uses the following hierarchy for determining the fair value of financial instruments by valuation technique :

Level 1 : Quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2 : Other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.

Level 3 : Techniques which are inputs have a significant effect on the recorded fair value that are not based on observable market data.

A. Financial Assets						Rs. In thousand
Particulars	Note	Instruments carried at		Total carrying amount	Total Fair Value	
		Fair Value	Amortized cost			
		FVTOCI	Carrying amount			
As at 31st March 2021						
Investments (Unquoted)	5	-	33,03,000	33,03,000	33,03,000	Level 3
Cash and cash equivalents	6	-	22,77,252	22,77,252	22,77,252	
Total		-	55,80,252	55,80,252	55,80,252	
As at 31st March 2022						
Investments (Unquoted)	5	-	33,03,000	33,03,000	33,03,000	Level 3
Cash and cash equivalents	6	-	14,82,662	14,82,662	14,82,662	
Total		-	47,85,662	47,85,662	47,85,662	

Note - 25 Additional Regulatory Information

Ratio	Numerator	Denominator	CY	PY	Reason for variance
Current Ratio (In times)	Total Current Assets	Total Current Liabilities	1.55	2.32	Reduction in current ratio due to short term borrowing made during year
Debt-Equity Ratio (In times)	Debt	Equity	0.01	-	Short term borrowing taken during year
Debt Service Coverage Ratio (In times)	Earning for Debt Service = Net Profit after taxes + Non-cash operating expenses + Interest + Other non-cash adjustments	Debt service = Interest and lease payments + Principal repayments	-	-	-
Return in equity ratio (In %)	Profit for the year	Avg Total Equity	-	-	-
Trade receivables turnover ratio (In times)	Revenue from Operations	Avg Trade Receivable	-	-	-
Trade payables turnover ratio (In times)	Total supplier Purchase	Avg Trade Payables	-	-	-
Net capital turnover ratio (In times)	Revenue from Operations	Avg Working Capital	-	0.29	No revenue from operations during year.

Note - 25

The Company possess one house property held as investments having carrying value of Rs. 33,03,000 and one office building held as Property, Plant and Equipment having carrying value of Rs. 149,170 whose title deeds are not held in the name of the Company during the financial year ended March 31, 2022 and March 31, 2021.

Note - 26

The Company's operations had to suspend temporarily, due to the Government's directives relating to COVID-19, have since resumed operations, as per the guidelines and norms prescribed by the Government authorities. The Management has considered the possible effects, if any, that may result from the pandemic relating to COVID-19. In developing the assumptions and estimates relating to the uncertainties as at the Balance Sheet date in relation to the recoverable amounts of these assets, the Management has considered the global economic conditions prevailing as at the date of approval of these financial information to the extent determined by it. Having reviewed the underlying information, management believes the impact of the pandemic may not be significant. The actual outcome of these assumptions and estimates may vary in future due to the impact of the pandemic.

Note - 27

Previous Year's figures have been regrouped / reclassified wherever necessary to confirm to current year presentation.

In terms of our report even date

For, Ashit N Shah & Co

Chartered Accountants

(FRN : 100624W)

Ashit Shah
Proprietor

Mem . No. : 036857

Date : 27-05-2022

Place : Ahmedabad

For and on behalf of the Board of Directors

Charms Industries Limited

Biren J.
Thaker
CFO

Shivkumar R
Chauhan
Managing Director

(DIN:00841729)

Harshad S
Gandhi
Director

(DIN:00841729)

Dileep Panchal
Company
Secretary

ATTENDANCE SLIP**CHARMS INDUSTRIES LIMITED**

Registered office: 108-B/109 Sampada Building Mithakhali Six Roads
Opp.-Hare Krishna Complex B/H, Kiran Motors, Ahmedabad GJ 380009 In

CIN L72900GJ1992PLC017494

Phone No. +91-9898031513

Email: charmsltd@yahoo.com

Website: www.charmsindustries.co.in

DPID/ CLIENT ID: _____

Registered Folio No.: _____

No of Shares: _____

Name(s) and address of the Shareholders/Proxy in Full:

I, Certify that I am a Shareholder/ Proxy of the Shareholder of the Company. I/We hereby accord my/our presence at the Annual General Meeting of the Company being held on Monday, September 19, 2022 at 12.30 p.m.at the registered office of the Company at 108-B/109 Sampada Building Mithakhali Six Roads Opp.-Hare Krishna Complex B/H, Kiran Motors, Ahmedabad GJ 380009 In

Signature of Shareholder/ Proxy

NOTE: Please fill in the Attendance Slip and hand it over at the entrance of the Hall.

PROXY FORM**CHARMS INDUSTRIES LIMITED**

Registered office: 108-B/109 Sampada Building Mithakhali Six Roads
Opp.-Hare Krishna Complex B/H, Kiran Motors, Ahmedabad GJ 380009 In

CIN L72900GJ1992PLC017494

Phone No. +91-9898031513

Email: charmsltd@yahoo.com

Website: www.charmsindustries.co.in

FORM MGT-11**PROXY FORM**

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

CIN:	L72900GJ1992PLC017494
Name of the company:	CHARMS INDUSTRIES LIMITED
Registered office:	108-B/109 Sampada Building Mithakhali Six Roads, Opp.-Hare Krishna Complex B/H, Kiran Motors, Ahmedabad GJ 380009 In

Name of the member(s):

Registered address:

Email Id:

Folio No./Client Id:

DP ID:

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

1.	Name:	
	Address:	
	E-mail Id:	
	Signature:	
2.	Name:	
	Address:	
	E-mail Id:	
	Signature:	
3.	Name:	
	Address:	
	E-mail Id:	
	Signature:	

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Annual General Meeting of the company, to be held on Monday, September 19, 2022 at 12.30 p.m. at the registered office of the Company at 108-B/109 Sampada Building Mithakhali Six Roads Opp.-Hare Krishna Complex B/H, Kiran Motors, Ahmedabad GJ 380009 In, Gujarat and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Particulars
1.	TO RECEIVE, CONSIDER AND ADOPT THE AUDITED FINANCIAL STATEMENTS OF THE COMPANY FOR THE YEAR ENDED 31STMARCH 2022 AND THE REPORTS OF THE BOARD OF DIRECTORS AND AUDITORS THEREON.
2.	TO APPOINT DIRECTOR IN PLACE OF MR. PARTHS. CHAUHAN (DIN-07571829), WHO RETIRES BYROTATION AND BEING ELIGIBLE, OFFERS HIMSELF FOR RE-APPOINTMENT AS A DIRECTOR OF THE COMPANY

Signed this..... day of..... 2022.

Signature of shareholder_____

Signature of Proxy holder(s)_____

Notes:

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the meeting. The Proxy need not be a member of the Company.
2. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholder.

** This is only optional. Please put 'X' in the appropriate Column against the resolutions indicated in the Box. If you leave the 'For' or 'Against ' Column blank against any or all the resolutions, your proxy will be entitled to vote in the manner as he/she thinks appropriate.
3. Appointing a proxy does not prevent a member from attending the meeting in person if he so wishes.

ROUTE MAP OF THE VENUE OF THE 30TH ANNUAL GENERAL MEETING

Regd. Office :

108-B/109 Sampada Building Mithakhali Six Roads Opp-Hare Krishna Complex B/H Kiran Moto Rs Ahmedabad, GJ 380009 In

