



ANJANI SYNTHETICS LIMITED

CIN: L11711GJ1984PLC007048

36th
Annual Report

2019 - 2020

REGD. OFFICE :
221 (MALIYA), NEW CLOTH MARKET,
O/S. RAIPUR GATE, AHMEDABAD-380002.
GUJARAT - INDIA



ANJANI SYNTHETICS LIMITED

CIN: L11711GJ1984PLC007048

36TH ANNUAL REPORT- 2019-20

Corporate Information

Board of Directors

Mr. Vasudev S. Agarwal	-	Chairman & Managing Director
Mr. Bhoorsingh B. Parihar	-	Executive Director
Ms. Garima Jain	-	Non Executive Independent Woman Director
Mr. Gopal S. Pansari	-	Non Executive Independent Director
Mr. Sourabh Vijay Patawari	-	Non Executive Independent Director
Mr. Manoharlal I. Sharma	-	Chief Financial Officer (CFO)
Ms. Rachita Somani	-	Company Secretary & Compliance officer

Statutory Auditors

M/s. Abhishek Kumar & Associates

Chartered Accountants
Ahmedabad

Secretarial Auditors

M/s. Mukesh H. Shah & Co.

Company Secretaries
Ahmedabad

Registrar & Share Transfer Agent

Bigshare Services Private Limited

A-802 Samudra Complex,
Near Classic Gold Hotel, Off. C G Road,
Ahmedabad-380009, Gujarat
Ph. No.: 079-40024135
Email: bssahd@bigshareonline.com
Website: www.bigshareonline.com

Registered Office

221(Maliya), New Cloth Market, O/s. Raipur Gate,
Ahmedabad- 380002, Gujarat, India.
Tel-Fax: 079- 22173181
Email : info@anjanisynthetics.com
Website: www.anjanisynthetics.com
CIN: L11711GJ1984PLC007048

Internal Auditors

M/s. Kamal M. Shah & Co.

Chartered Accountants
Ahmedabad

Cost Auditors

M/s. Kiran J. Mehta & Co.

Cost Accountants
Ahmedabad

Bankers

State Bank Of India Ahmedabad

Factory/ Mill

Plot No. 140, Pirana Road, Saijpur- Gopalpur,
Piplej, Ahmedabad-382405, Gujarat, India
Ph. No.: 079- 29708149
Tele-Fax: 079- 29708149
Email: info@anjanisynthetics.com

Contents	Page Nos.
Notice	1
Directors' Report	14
Secretarial Audit Report	34
Corporate Governance Report	38
Management Discussion and Analysis	54
Independent Auditors' Report	60
Balance Sheet	82
Statement of Profit and Loss	83
Notes Forming Part of Balance Sheet and Statement of Profit & Loss and Significant Accounting Policies	85
Cash Flow Statement	108



NOTICE

Notice is hereby given that the **36th Annual General Meeting** of the Members of **Anjani Synthetics Limited** will be held on Monday, the **28th day of September, 2020 at 11.00 a.m.** through Video conferencing ("VC") or Other Audio Visual Means ("OAVM") to transact the following business:

a) ORDINARY BUSINESS:

Item No.1: Adoption of Financial Statements

To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended 31st March, 2020, the reports of the Board of Directors and the Auditors thereon.

Item No.2: Appointment of Director

To appoint Mr. Bhoorsingh Bagsingh Parihar [DIN:01612692] as a Director who retires by rotation and being eligible, offers him-self for re- appointment.

Item No.3: Statutory Auditors of the Company

M/s. Abhishek Kumar & Associates, Chartered Accountants of Ahmedabad who was appointed in 33rd AGM for next five years. Therefore, M/s. Abhishek Kumar & Associates continue as Statutory Auditors of the Company.

b) SPECIAL BUSINESS:

Item No. 4: To consider and if thought fit to pass with or without modification(s) the following resolution as an **Ordinary Resolution**

"RESOLVED THAT pursuant to the provisions of Section 148 and all other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Cost Audit and Record) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), M/s. Kiran J. Mehta & Co., Cost Accountants (Firm Registration No. 000025), on the recommendation of the Audit Committee and approval by the Board of Directors of the Company, to conduct the audit of the cost records of the Company for the financial year 2020-21, be paid the remuneration as set out in the Statement annexed to the Notice convening this Meeting be and is hereby approved and ratified."

"RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to do all such acts, deeds and things as may be necessary to give effect to this Resolution.

Item No. 5: To consider and, if thought fit to pass, with or without modification (s) the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to provision of section 188(1) of the Companies act, 2013 and Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") (including any statutory modifications or re-enactment thereof, for the time being in force) and the consent of the Audit Committee and Board of Directors and subject to such approvals, consents, sanctions and permissions as may be necessary, consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (including any Committee thereof) to ratify, approve and confirm the related party transactions for availing of advances/ loans, corporate guarantee, and security, whether material or not, hitherto entered or to be entered into by the Company from time to time as set out in the Explanatory Statement annexed to the Notice convening this Meeting."



“RESOLVED FURTHER THAT the Board of Directors of the Company (including any Committee thereof) be and is hereby authorized to do or cause to be done all such acts, matters, deeds and things and to settle any queries, difficulties, doubts that may arise with regard to the aforesaid related party transaction(s) and execute such agreements, documents and writings and to make such filings, as may be necessary or desirable for the purpose of giving effect to this resolution.”

**By Order of the Board
For, ANJANI SYNTHETICS LIMITED**

Place : Ahmedabad

Date : 25th August, 2020

**VASUDEV S. AGARWAL
(DIN : 01491403)
CHAIRMAN & MD**

Registered Office :

221, (Maliya) New Cloth Market,
O/s. Raipur Gate, Ahmedabad- 380002,
Gujarat, INDIA

CIN : L11711GJ1984PLC007048



NOTES:

1. In view of the continuing COVID-19 pandemic, the Ministry of Corporate Affairs (“MCA”) vide its circular dated 5th May, 2020 read with circulars dated 8th April, 2020 and 13th April, 2020 (collectively referred to as “MCA Circulars”) and Securities and Exchange Board of India vide Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12th May, 2020 (“SEBI Circular”) has permitted the holding of the Annual General Meeting (“AGM”) through VC / OAVM, without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 (“Act”), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and MCA Circulars, the AGM of the Company is being held through VC / OAVM.
2. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his / her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars and SEBI Circular through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
3. Body Corporates whose Authorized Representatives are intending to attend the Meeting through VC / OAVM are requested to send to the Company on the Email Id investor@anjanisynthetics.com, a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting and through e-voting.
4. In view of the massive outbreak of the COVID-19 pandemic, social distancing is a pre-requisite and pursuant to General Circular No. 14/2020 dated 8th April, 2020, General Circular No. 17/2020 dated 13th April, 2020 issued by the Ministry of Corporate Affairs followed by General Circular No. 20/2020 dated 5th May, 2020, physical attendance of the Members is not required. Hence, Members will have to attend and participate in the ensuing AGM through VC / OAVM.
5. Those Members whose Email Id are not registered can get their Email Id registered as follows:
 - a. Members holding shares in demat form can get their Email Id registered / updated by contacting their respective Depository Participant.
 - b. Members holding shares in the physical form can get their Email Id registered by contacting our Registrar & Share Transfer Agent “Bigshare Service Private Limited” on their Email Id bssahd@bigshareonline.com.
6. The Members can join the AGM in the VC / OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. Instructions and other information for members for attending the AGM through VC / OAVM are given in this Notice under Note No.27.
7. The attendance of the Members attending the AGM through VC / OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
8. As the AGM of the Company is held through VC / OAVM, we therefore request the Members to register themselves as speaker by sending their question / express their views from their registered email address mentioning their name, DP ID and Client ID / folio number, PAN, mobile number at Email Id

investor@anjanisynthetics.com, 8 days prior to the Meeting. The Members who have registered themselves as speaker will only be allowed to ask queries / express their views during the AGM. The Company reserves the right to limit the number of Members asking questions depending on the availability of time at the AGM.

9. Relevant Explanatory Statement pursuant to provisions of Section 102 of the Companies Act, 2013 read with Regulation 17 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment thereof, for the time being in force), in respect of Special Business i.e. item nos. 4 to 5, as set out above is annexed hereto.
10. Pursuant to the provisions of Section 91 of the Companies Act, 2013, read with Rule 10 of Companies (Management and Administration) Rules, 2014 and pursuant to Regulation 42 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the Register of members and share transfer books of the Company will remain closed from Tuesday, 22nd September, 2020 to Monday, 28th September, 2020 (both the days inclusive).
11. Members who hold shares in physical form in multiple folios, in identical names or joint holding in the same order of names are requested to send share certificates to Registrar & Share Transfer Agent of the Company, for consolidation into a single folio.
12. To support the 'Green Initiative', we request the Members of the Company to register their Email Ids with their DP or with the Share Transfer Agent of the Company, to receive documents / notices electronically from the Company in lieu of physical copies. Please note that, in case you have already registered your Email Id, you are not required to re-register unless there is any change in your Email Id. Members holding shares in physical form are requested to send email at bssahd@bigshareonline.com to update their Email Ids.
13. As per Securities and Exchange Board of India (SEBI) Notification No. SEBI/LAD-NRO/GN/2018/24 dated 8th June, 2018 and further amendment vide Notification No. SEBI/LAD-NRO/GN/2018/49 dated 30th November, 2018, requests for effecting transfer of securities (except in case of transmission or transposition of securities) shall not be processed from 1st April, 2019 unless the securities are held in the dematerialized form with the depositories. With the said changes which came into effect from 1st April, 2019, Equity Shares of the Company shall be eligible for transfer only in dematerialized form. Therefore, the Members are requested to take action to dematerialize their physical Equity Shares of the Company promptly.
14. SEBI has mandated submission of Permanent Account Number (PAN) by every participant in securities market for transaction of transfer, transmission / transposition and deletion of name of deceased holder Members holding shares in demat form are, therefore, requested to submit PAN details to the Depository Participants with whom they have demat accounts. Members holding shares in physical form can submit their PAN details to the Registrar & Share Transfer Agent of the Company i.e. Bigshare Service Private Limited.
15. The information regarding the Director(s) who is / are proposed to be re-appointed, as required to be provided under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings issued, is annexed hereto.
16. Members desiring any information as regards to Accounts are requested to send an email to investor@anjanisynthetics.com, 14 days in advance before the date of the meeting to enable the Management



to keep full information ready on the date of AGM.

17. Members who wish to inspect the Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of Companies Act, 2013 and Register of Contracts or arrangements in which directors are interested maintained 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 in electronic mode can send an email to investor@anjanisynthetics.com.
18. The business set out in the Notice will be transacted through electronic voting system and the Company is providing facility for voting by electronic means. Instructions and other information relating to e-voting are given in this Notice under Note No. 26.
19. In case of joint holders, only such joint holder who is higher in the order of names will be entitled to vote.
20. The Annual Report along with the Notice of AGM will be available on Company's website on www.anjanisynthetics.com.
21. Members of the Company holding shares either in physical form or in dematerialized form as on Benpos date i.e. 28th August, 2020 will receive Annual Report for the financial year 2019-2020 through electronic mode.
22. As per the MCA General Circular No. 20/2020 dated 5th May, 2020 and Securities and Exchange Board of India ("SEBI") Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12th May, 2020, the Annual Report will be sent through electronic mode to only those Members whose Email Ids are registered with the Registrar & Share Transfer Agent of the Company / Depository Participant.
23. Members are requested to quote their Folio No. or DP ID / Client ID, in case shares are in physical / dematerialized form, as the case may be, in all correspondence with the Company / Registrar & Share Transfer Agent.
24. Since the AGM will be held through VC / OAVM, the Route Map is not annexed to this Notice.
25. 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.
26. **INFORMATION AND OTHER INSTRUCTIONS RELATING TO E-VOTING:**
 - a. In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and Secretarial Standard-2 issued by the Institute of Company Secretaries of India, as amended from time to time, the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. The Company has engaged the services of Central Depository Services Limited ("CDSL") as the Agency to provide e-voting facility. The facility of casting votes by a Member using remote e-voting system as well as e-voting on the date of the AGM will be provided by CDSL.



- b. The Board of Directors of the Company has appointed Mukesh H Shah & Co., Practicing Company Secretary, as the Scrutinizer, to scrutinize the e-voting and remote e-voting process in a fair and transparent manner and he has communicated his willingness to be appointed and will be available for same purpose.
- c. Voting rights shall be reckoned on the paid-up value of shares registered in the name of the member / beneficial owner (in case of electronic shareholding) as on the cut-off date i.e. 21st September, 2020.
- d. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date, i.e. 21st September, 2020 only shall be entitled to cast their vote either through remote e-voting or through e-voting at the AGM.
- e. The Scrutinizer shall after the conclusion of voting at the Meeting, will first count the votes cast at the Meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two (2) witnesses not in the employment of the Company and shall provide, not later than forty eight (48) hours of the conclusion of the Meeting, a consolidated Scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing and declare the result of the voting forthwith.
- f. The results shall be declared forthwith by the Chairman or a person so authorized by him in writing on receipt of consolidated report from the Scrutinizer. The Results declared along with Scrutinizer's Report shall be communicated to the BSE Limited. Members may contact at Email Id helpdesk.evoting@cDSLindia.com for any grievances connected with voting by electronic means.
- g. The resolutions shall be deemed to be passed on the date of the Meeting, subject to the same being passed with requisite majority.
- h. Once the vote on a resolution is cast by a member, the member shall not be allowed to change it subsequently or cast the vote again.

Voting Process and other instructions regarding remote e-voting:

The remote e-voting period commences on Friday, 25th September, 2020 at 9.00 a.m. and ends on Sunday, 27th September, 2020 at 5:00 p.m. During this period, Members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. Monday, 21st September, 2020, may cast their votes electronically. The e-voting module shall be disabled by the CDSL for voting thereafter.

Section A: Voting Process

The Members should follow the following steps to cast their votes electronically:

Step 1: Open your web browser during the voting period and log on to the e-voting website: www.evotingindia.com.

Step 2: Click on "Shareholders" to cast your vote(s).

Step 3: Please enter User ID –

- a. For account holders in CDSL: Your 16 digits beneficiary ID.
- b. For account holders in NSDL: Your 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.

Step 4: Enter the Image Verification as displayed and click on “LOGIN”.

Step 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. If you have forgotten the password, then enter the User ID and the image verification code and click on “FORGOT PASSWORD” and enter the details as prompted by the system.

Step 6: If you are a first time user follow the steps given below:

6.1 For Shareholders holding shares in Demat Form and Physical Form

PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders). Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number which is printed on Postal Ballot / Attendance Slip / communicated by mail 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 (v).

6.2 After entering these details appropriately, click on “SUBMIT” tab.

6.3 **For Demat holding:** Members holding shares in demat form will now reach “PASSWORD CREATION” menu wherein they are required to create 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.**

For Physical holding:

Members holding shares in physical form will then directly reach the Company selection screen. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

Step 7: Click on the EVSN of the Company i.e. 200826019 to vote.

Step 8: 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 for casting your vote. The option “YES” implies that you assent to the resolution and option “NO” implies that you dissent to the resolution.

Step 9: Click on “RESOLUTION FILE LINK” if you wish to view the entire Resolution details.

Step10: 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.

Step 11: Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote. You can also take print-out of the voting done by you by clicking on "CLICK HERE TO PRINT" option on the voting page.

Step 12: 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.

* Members can also cast their vote using CDSL's mobile app m-voting available for android based mobiles. The m-voting app can be downloaded from Google Play Store. iPhone 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 on your mobile.

Section B: Other instructions regarding remote e-voting

- i. Non-Individual Members (i.e. Members other than Individuals, HUF, NRI, Custodian etc.) are additionally requested to note and follow the instructions mentioned below, if they are first time user:
 - Non-Individual Members and Custodians are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details, The Compliance User would be able to link the account(s) for which user wishes to vote on.
 - The list of accounts linked in the login should be emailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- ii. Non-Individual Members (i.e. Members other than Individuals, HUF, NRI, etc.) are required to upload the following in PDF format in the system for the scrutinizer to verify the same:
 - a. Copy of the Board Resolution (where institution itself is voting);
 - b. Power of Attorney (PoA) issued in favour of the Custodian (if PoA is not uploaded earlier) as well as Board Resolution of Custodian.
- iii. Members holding shares under multiple folios / demat accounts shall choose the voting process separately for each of the folios / demat accounts.
- iv. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com under help section or call on +91-22-23058542 or +91-22-23058543 during business hours or write an email to helpdesk.evoting@cdslindia.com.
- v. Any person, who acquires shares of the Company and become Member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. 21st September, 2020, may obtain the login ID and password by sending a request at helpdesk.evoting@cdslindia.com or Share Transfer Agent's Email Id



at bssahd@bigshareonline.com.

- vi. 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 or send an email to helpdesk.evoting@cdslindia.com or call on +91-22-23058542 or +91-22-23058543 during business hours.

Instructions for Members for e-voting on the day of the AGM:

1. The procedure for e-voting is same as the instructions mentioned above for remote e-voting.
2. Only those Members / Shareholders, who will be present in the AGM through VC / OAVM facility and have not casted their vote on the Resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system in the AGM.
3. Members who have voted through remote e-voting will be eligible to attend the AGM and participate there at. However, they will not be eligible to vote at the AGM. In case any Member who had voted through remote e-voting, casts his vote again at the e-voting provided during the AGM, then the votes cast during the AGM through e-voting shall be considered as invalid.
4. Members are requested to follow the instructions, if any, provided during the AGM for e-voting.
5. The details of the person who may be contacted for any grievances connected with the facility for e-voting during the AGM shall be the same person mentioned for remote e-voting.

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:

- (i) 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 (selfattested scanned copy of Aadhar Card) by email to our RTA Bigshare Service Private Limited on their Email Id bssahd@bigshareonline.com.
- (ii) For Demat shareholders - Please provide Demat account details (CDSL-16 digit beneficiary ID or NSDL-16 digit DP ID + Client ID), Name, Client master or Copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to our RTA, Bigshare Service Private Limited on their Email Id bssahd@bigshareonline.com.
- (iii) The RTA shall co-ordinate with CDSL and provide the login credentials to the above mentioned shareholders.

27. INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC / OAVM:

1. Shareholder will be provided with a facility to attend the EGM/AGM through VC/OAVM through the CDSL e-Voting system. Shareholders may access the same at <https://www.evotingindia.com> under shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVSN of Company will be displayed.
2. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.

3. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
 4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
 5. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast 8 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at investor@anjanisynthetics.com. The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance 8 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at investor@anjanisynthetics.com. These queries will be replied to by the company suitably by email.
 6. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
28. In line with the Ministry of Corporate Affairs General Circular No. 17/2020 dated 13th April, 2020, the Notice calling AGM has been uploaded on the website of the Company at www.anjanisynthetics.com. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited at www.bseindia.com and the AGM Notice is also available on the website of CDSL (agency for providing the e-voting facility) i.e. www.evotingindia.com.
29. Investor Grievance Redressal: - The Company has designated an Email Id investor@anjanisynthetics.com to enable investors to register their complaints, if any.

Contact Details:

COMPANY	ANJANI SYNTHETICS LIMITED 221 (Maliya), New Cloth Market, O/s. Raipur Gate, Ahmedabad- 380002, Gujarat, India. Tel-Fax: 079- 22173181 Email : info@anjanisynthetics.com Website: www.anjanisynthetics.com
REGISTRAR AND TRANSFER AGENT	BIGSHARE SERVICES PRIVATE LIMITED A-802 Samudra Complex, Near Klassic Gold Hotel, Off. C G Road, Ahmedabad-380009, Gujarat Ph. No.: 079-40024135 Email: bssahd@bigshareonline.com Website: www.bigshareonline.com
E VOTING AGENCY	CENTRAL DEPOSITORY SERVICES (INDIA) LIMITED E-mail ID: helpdesk.evoting@cdslindia.com Phone : 022- 22723333/ 8588
SCRUTINIZER	CS MUKESH H. SHAH PRACTISING COMPANY SECRETARY Email id: mukeshshahcs@gmail.com

**ANNEXURE TO NOTICE****EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 AND / OR REGULATION 36(3) OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015**

The following Statement sets out all mentioned facts relating to the Special Business mentioned in the accompanying Notice:

Item No.4:

The Board of Directors, on the recommendation of the Audit Committee, has approved the appointment of Kiran J. Mehta & Co., Cost Accountants as the Cost Auditors of the Company to audit the cost accounts/ cost records of the Company for the financial year 2020-21 on a remuneration of Rs.50,000/- (apart from reimbursement of out of pocket expenses and applicable taxes).

In accordance with the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Cost Audit and Record) Rules, 2014, the remuneration payable to the Cost Auditors has to be ratified by the Shareholders of the Company. Accordingly, consent of the members is sought for approval and ratification of the remuneration payable to the Cost Auditors for the financial year 2020-21.

The Board of Directors recommends the said resolution for your approval.

None of the Directors or any Key Managerial Personnel or any relative of any of the Directors of the Company or the relatives of any Key Managerial Personnel is, in anyway, concerned or interested in this resolution.

Item No.5:

Pursuant to the first provision of Section 188(1) of the Companies Act, 2013, as our paid up capital is more than Rs.14 Crore, no contract or arrangement can be entered in to with a related party for any item specified in sub section (1) except with the prior approval of the general meeting by special resolution. With the change in proviso under the New Companies Act, 2013, the approval is sought for the arrangement of job-work, purchase and sales of Textile goods on order to order basis with related parties as per the details given in table placed herein below for a period of one year.

Sr. No.	Name of the Party	Name of Director or KMP	Nature of Interest/relationship	Nature of Transaction	Value estimate transaction per contract
1	Virat Spinners Private Limited	Vasudev S. Agarwal	Group Company	Purchase/Sales	Rs. 100 lacs/ Rs. 100 Lacs
2	Virat Weaving Private Limited	Vasudev S. Agarwal	Group Company	Purchase/Sales	Rs. 800 lacs/ Rs. 800 Lacs
3	Aakruti Textile	Vasudev S. Agarwal	Group Company	Purchase/Sales	Rs. 100 lacs/ Rs. 100 Lacs
4	Aakruti Synthetics Private Limited	Vasudev S. Agarwal	Group Company	Purchase/Sales	Rs. 100 lacs/ Rs. 100 Lacs
5	Parth International Private Limited	Vasudev S. Agarwal	Group Company	Purchase/Sales	Rs. 800 lacs/ Rs. 800 Lacs



The Board of Directors recommends this resolution as Special Resolution for approval of the members.

None of the Directors except Mr. Vasudev S. Agarwal, Managing Director of the Company is concerned or interested in the resolution.

**By Order of the Board
For, ANJANI SYNTHETICS LIMITED**

Place : Ahmedabad

Date : 25th August, 2020

**VASUDEV S. AGARWAL
(DIN: 01491403)
CHAIRMAN & MD**



ANNEXURE TO NOTICE

DETAILS OF DIRECTOR SEEKING APPOINTMENT/ RE-APPOINTMENT AT THE ANNUAL GENERAL MEETING Pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

Name of the Director	Bhoorsingh Bagsingh Parihar
DIN	01612692
Date of Birth	28/06/1968
Date of appointment	12/10/2018
Qualifications	Graduate
Directorship	Nil
Memberships/ Chairmanships of Committee of other public companies	Nil
Number of shares held in the Company	Nil
Expertise in Specific Area	Factory & Legal Management

By Order of the Board
For, ANJANI SYNTHETICS LIMITED

Place : Ahmedabad
Date : 25th August, 2020

VASUDEV S. AGARWAL
(DIN: 01491403)
CHAIRMAN & MD



DIRECTOR'S REPORT

Dear Members,

The Directors of your company have great pleasure in presenting the (36th) Thirty Sixth Annual Report together with the Audited Financial Statements of your Company for the financial year ended on 31st March 2020.

FINANCIAL SUMMARY

The summary of the company's financial performance of the Company during the financial year 2019-20 as compared to the previous financial year 2018-19 is given below:

[Rupees in Lacs]

Particulars	Financial Year 2019-20	Financial Year 2018-19
Revenue from operations (Net)	32517.09	30694.53
Other income	111.21	84.67
Total Revenue	32628.30	30779.20
Expenses		
(a) Cost of materials consumed	19846.71	19859.52
(b) Purchases of stock-in-trade	—	—
(c) Changes in inventories of FG, WIP & Stock-in-Trade	2024.11	(444.50)
(d) Employee benefits expense	904.41	978.11
(e) Finance costs	766.19	760.22
(f) Depreciation and amortization expense	445.35	536.03
(g) Other expenses	8163.61	8635.16
Total Expenses	32150.38	30324.54
Profit/ (Loss) before tax	477.92	454.66
Tax expense:		
(a) Current tax expense	137.30	161.88
(b) Deferred tax	(15.67)	(7.67)
(c) Excess Provision of Tax for earlier Years	(0.43)	0.35
Profit / (Loss) for the year	356.72	300.10
Earnings per share (face value Rs.10/-) Basic & Diluted	2.42	2.03



OPERATIONS REVIEW

The Company's total revenue from operations during the financial year ended 31st March 2020 were Rs. 32517.09 Lacs as against Rs. 30694.53 Lacs of the previous year with total expenses of Rs.32150.38 lacs (previous year of Rs. 30324.54 lacs).The Company has made Net Profit of Rs.356.72 Lacs as against Rs.300.10 Lacs of the previous year after considering Depreciation and Provision for Tax.

The EPS of the Company for the year 2019-20 is Rs. 2.42.

DIVIDEND

No dividend has been recommended in respect of the financial year ended 31st March, 2020 and the entire surplus be ploughed back into the business to give accelerator to the business of the company and generate higher profit in future.

EXPORTS

During the financial year, the Company has achieved export sales of Rs.815.37 Lacs (previous year of Rs. 1133.75 Lacs).

SUBSIDIARY, JOINT VENTURE (JV) AND ASSOCIATES COMPANIES

During the year under review, the Company does not have any Subsidiary, Joint Venture (JV) or Associates Company.

FIXED DEPOSIT

During the year under review, your Company has not accepted any fixed deposits within the meaning of Section 73 of the Companies Act, 2013 and the rules made there under.

SHARE CAPITAL & LISTING

During the year under review there is no change in Authorized Share Capital of the Company. The Authorized Share Capital of the Company as at 31st March, 2020 stood at Rs. 15,00,00,000/- divided into 1,50,00,000 equity shares of Rs. 10/- each. The paid up capital of the company as at 31st March, 2020 stood at Rs. 14,75,00,000/- (Face value Rs.10/- each)

- a) The Company does not have any equity shares with differential rights;
- b) During the year under report, the Company has not issued any sweat equity shares;
- c) During the year under report, the Company has not issued any ESOP;
- d) *Provision of money by Company for purchase of its own shares by employees or by trustees for the benefit of employees:* The Company has not made any provision of money for the purchase of, or subscription for, shares in the Company, to be held by or for the benefit of the employees of the Company and hence the disclosure as required under Rule 16(4) of the Companies (Share Capital and Debentures) Rules, 2014 is not required.
- e) *Listing with the stock exchanges :* The Company's equity shares are listed on the Bombay Stock Exchange Limited (BSE) and it has paid the Annual Listing Fees for the financial year 2020-21
- f) *Disclosure with respect to shares transferred in IEPF Account:* In terms of the provisions of Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016, 12,514 shares



whose dividends were unpaid/unclaimed for seven consecutive years taking the base year as Interim dividend for the FY 2007-08 were transferred during the year to the Investor Education and Protection Fund.

TRANSFER TO RESERVE

The Company has not transferred any amount to the General Reserve for the financial year ended 31st March, 2020.

CHANGE IN NATURE OF BUSINESS

During the period under review, there is no change in the nature of business.

DIRECTORS & KEY MANAGERIAL PERSONNEL

The Board of Directors of your company has various Executive and Non-Executive Directors including Independent Directors who have wide experience in different disciplines of corporate functioning.

During the year, Board of Directors has appointed Ms. Garima Jain in place of Mrs. Pooja Sharma as a Non Executive & Independent Woman Director of the company w.e.f. 15th June, 2019 with the approval of shareholders in the 35th Annual General Meeting.

Further, Mr. Konark P. Patel has resigned from the post of Company Secretary and Compliance officer of the company w.e.f 10th April, 2019 and Ms. Rachita Somani has been appointed as a Company Secretary and Compliance officer of the company w.e.f 09th August, 2019

As per the provisions of Section 152 of the Companies Act, 2013 and Articles of Association of the Company, Mr. Bhoorsingh Bagsingh Parihar [DIN: 01612692] being longest in the office shall retire at the ensuing Annual General Meeting and being eligible offers him-self for re-appointment.

The Board & Nomination & Remuneration Committee recommends the re-appointment of Bhoorsingh Bagsingh Parihar for your approval.

Brief details of Director proposed to be re-appointed as required under regulation 36 of the SEBI Listing Regulations are provided in the Notice of Annual General meeting.

All Independent Directors have given declarations that they meet the criteria of Independence as laid down under Section 149 (6) of the Companies Act, 2013 and Regulation 25 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The terms and conditions of the Independent Directors are incorporated on the website of the Company www.anjanisynthetics.com.

DISCLOSURE RELATED TO BOARD AND COMMITTEES

a) Number of Board Meetings conducted during the year under review

Regular Board Meetings are held once in a quarter, inter-alia, to review the quarterly results of the Company.

During the year under review 6 (SIX) Board Meetings were convened. The intervening gap between the two meetings was within the period prescribed under the Companies Act, 2013. The details of the meetings are furnished in the Corporate Governance Report which forming part of this Annual Report.

b) Independent Directors' Meeting

The Independent Directors met on the 13th February, 2020, without the attendance of Non-Independent



Directors and members of the Management. The Independent Directors reviewed the performance of Non-Independent Directors and the Board as a whole; the performance of the Chairperson of the Company, taking into account the views of Executive Directors and Non-Executive Directors and assessed the quality, quantity and timeliness of flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

c) Committees of the Board of Directors

Your Company has several Committees which have been established as part of the best Corporate Governance practices and are in compliance with the requirements of the relevant provisions of applicable laws and statutes.

The Company has following Committees of the Board of Directors:

- Audit Committee
- Stakeholder's Grievances and Relationship Committee
- Nomination and Remuneration Committee

The details with respect to the compositions, powers, and terms of reference and other information of relevant committees are given in details in the Corporate Governance Report which forms part of this Annual Report.

d) Board Evaluation:

Pursuant to the corporate governance requirements as prescribed in the Companies Act, 2013 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations 2015, the Board of Directors has carried out an annual evaluation of its own performance, Board Committees and of individual directors. In a separate meeting of independent directors, performance of non-independent directors, performance of the Board as a whole, performance of the Committee(s) of the Board and performance of the Chairman was evaluated, taking into account the views of other directors. Performance evaluation of independent directors was done by the entire Board, excluding the independent director being evaluated.

e) Board Diversity

None of the Directors of the Company is disqualified for being appointed as Director as specified in Section 164(2) of the Companies Act, 2013.

VARIOUS COMPANIES' POLICIES

In accordance with the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Companies Act, 2013 the Company has formulated and implemented the various policies. All the Policies are available on Company's website (www.anjanisynthetics.com) under the heading "Investor Relations". The policies are reviewed periodically by the Board and updated based on need and requirements.

a) Policy on Director's Appointment and Remuneration

The Company has a Nomination and Remuneration Committee. The Committee reviews and recommend to the Board of Directors about remuneration for Directors and Key Managerial Personnel and other employee up to one level below of Key Managerial Personnel. The Company does not pay any remuneration to the

Non-Executive Directors of the Company other than sitting fee for attending the Meetings of the Board of Directors and Committees of the Board. Remuneration to Executive Directors is governed under the relevant provisions of the Act and approvals.

The Company has devised the Nomination and Remuneration Policy for the appointment, reappointment and remuneration of Directors, Key Managerial. All the appointment, reappointment and remuneration of Directors and Key Managerial Personnel are as per the Nomination and Remuneration Policy of the Company.

b) Vigil Mechanism

The Company has established a vigil mechanism and accordingly framed a Whistle Blower Policy. The policy enables the employees to report to the management instances of unethical behavior, actual or suspected fraud or violation of Company's Code of Conduct. Further the mechanism adopted by the Company encourages the Whistle Blower to report genuine concerns or grievances and provide for adequate safe guards against victimization of Whistle Blower who avails of such mechanism and also provides for direct access to the Chairman of the Audit Committee, in exceptional cases. The functioning of vigil mechanism is reviewed by the Audit Committee from time to time. None of the Whistle blowers has been denied access to the Audit Committee of the Board. The Whistle Blower Policy of the Company is available on the website of the Company www.anjanisynthetics.com.

c) Risk Management Policy

The Company is aware of the risks associated with the business. It regularly analyses and takes corrective actions for managing/ mitigating the same. The Company has framed a formal Risk Management Framework for risk assessment and risk minimization which is periodically reviewed to ensure smooth operation and effective management control. The Audit Committee also reviews the adequacy of the risk management framework of the Company, the key risks associated with the business and measure and steps in place to minimize the same.

d) Sexual Harrassment of Women at Workplace

The Company has zero tolerance for sexual harassment at workplace and has adopted a policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the rules framed thereunder. During the financial year 2019-20, the Company has not received any complaints on sexual harassment.

e) Contracts or Arrangements with Related Parties

All related party transactions entered into during the financial year were on an arm's length basis and were in the ordinary course of business. Your Company had not entered into any transactions with related parties which could be considered material in terms of Section 188 of the Companies Act, 2013. Accordingly, the disclosure of related party transactions as required under Section 134(3)(h) of the Companies Act, 2013 in Form AOC - 2 is attached. Suitable disclosure as required by the Indian Accounting Standard (Ind AS 24) has been made in the notes to the Financial Statements.

All Related Party transactions are placed before the Audit Committee for approval, wherever applicable. Prior omnibus approval for normal business transactions is also obtained from the Audit Committee for the related party transactions which are of repetitive nature and accordingly the required disclosures are made to the



Committee on quarterly basis in terms of the approval of the Committee. The details of Related Party Transactions are given in the notes to the financial statements.

The policy on Related Party Transactions as approved by the Board of Directors is uploaded on the website of the Company www.anjanisynthetics.com

AUDITORS & AUDITOR'S REPORT

a) Statutory Auditors:

M/s. ABHISHEK KUMAR & ASSOCIATES, Chartered Accountants [FRN NO.: 130052W] was appointed as the Statutory Auditors of the Company, to hold the office from the conclusion of the 33rd Annual General Meeting (AGM) to the conclusion of the 38th Annual General Meeting (AGM), subject to ratification of the appointment by the members at every Annual General Meeting. The Company has received the consent from the Auditors and confirmation to the effect that they are not disqualified to be appointed as the Auditors of the Company in the terms of the provisions of the companies Act, 2013 and the rules made thereunder. Further they are holding a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India (ICAI).

Accordingly, the Board of Directors had recommended the ratification of appointment of M/s. ABHISHEK KUMAR & ASSOCIATES, Chartered Accountants [FRN NO.: 130052W] as the Statutory Auditors of the Company to hold the office from the ensuing AGM till the conclusion of the next AGM on such remuneration as may be determined by the Board of Directors in consultation with them.

The Auditor's report to the shareholders on the Standalone Financials for the year ended March 31, 2020 does not contain any qualification, observation or adverse comment.

The Statutory Auditors' Report on the accounts of the Company for the accounting year ended 31st March, 2020 is self-explanatory and do not call for further explanations or comments that may be treated as adequate compliance of Section 134 of the Companies Act, 2013.

b) Internal Auditors:

M/s. Monika Bhandari & Co., Chartered Accountants, Ahmedabad has been appointed as Internal Auditors of the Company for the FY 2020-21. Internal Auditors are appointed by the Board of Directors of the Company on a yearly basis, based on the recommendation of the Audit Committee. The Internal Auditor reports their findings on the Internal Audit of the Company, to the Audit Committee on a yearly basis. The scope of internal audit is approved by the Audit Committee.

c) Cost Auditors:

The Company has appointed M/s. Kiran J. Mehta & Co., Cost Accountants, Ahmedabad as Cost Auditor of the Company to audit the cost accounts for the financial year 2020-21.

As per Section 148 read with Companies (Audit & Auditors) Rules, 2014 and other applicable provisions, if any, of the Companies Act, 2013 the Board of Directors of your Company has appointed M/s. Kiran J. Mehta & Co., Cost Accountants as the Cost Auditor of the Company for the financial year 2020-21 on the recommendations made by the Audit Committee subject to the approval of the Central Government.



The remuneration proposed to be paid to the Cost Auditors, subject to the ratification by the members at the ensuing Annual General Meeting, would be Rs.50,000/- (apart from reimbursement of out of pocket expenses and applicable taxes, if any).

The Cost Audit report for the financial year 2019-20 was filed within the due date. The due date for submission of the Cost Audit Report for the financial year 2020-21 is within 180 days from 31st March, 2020.

d) Secretarial Auditors:

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, your Company had re-appointed Mr. Mukesh H. Shah, Practicing Company Secretary of Ahmedabad to undertake the Secretarial Audit of the Company. The secretarial audit report for the financial year 2019-20 is annexed to this Annual Report as **Annexure-III**.

e) Details in respect of frauds reported by Auditors other than those which are reportable to the Central Government :

The Statutory Auditors of the Company have not reported any fraud to the Audit Committee or to the Board of Directors under Section 143(12) of the Companies Act, 2013 read with Rule 13 of the Companies (Audit and Auditors) Rules, 2014.

EXTRACT OF ANNUAL RETURN

Pursuant to sub-section 3(a) of Section 134 and sub-section (3) of Section 92 of the Companies Act, 2013 read with Rule 12 of Companies (Management and Administration) Rules, 2014 the extract of the Annual Return as on 31st March, 2020 in Form MGT-9 forms part of this Annual Report as **Annexure-I**.

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

Information relating to Conservation of Energy, Technology Absorption and Foreign Exchange Earning and Outgo, required under Section 134 (3) (m) of the Companies Act, 2013 forms part of this Annual Report as **Annexure-II**.

CORPORATE GOVERNANCE REPORT

The Company has taken adequate steps to adhere to all the stipulations laid down under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. A report on Corporate Governance included as a part of this Annual Report is given in **Annexure-IV**.

A certificate from the Statutory Auditors of the company confirming the compliance with the conditions of Corporate Governance as stipulated under Reg. 27 & 34 the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 is attached to this Annual Report.

CORPORATE GOVERNANCE & MANAGEMENT DISCUSSION & ANALYSIS REPORT

Your Company is in compliance with all the applicable provisions of Corporate Governance as stipulated under Chapter IV of the Listing Regulations. A detailed report on Corporate Governance as required under the Listing Regulations is provided in a separate section and forms part of the Annual Report. Certificate from the Practicing Company Secretary regarding compliance with the conditions stipulated in the Listing Regulations forms part of the Corporate Governance Report.

The Management Discussion and Analysis Report as required under the Listing Regulations is presented in a separate section and forms part of the Annual Report.

INSURANCE

Assets of your Company are adequately insured against various perils.

**MATERIAL CHANGES AND COMMITMENT AFFECTING FINANCIAL POSITION OF THE COMPANY**

There are no material changes and commitments, affecting the financial position of the Company which has occurred between the end of financial year as on 31st March, 2020 and the date of Director's Report i.e. 25.08.2020.

COVID-19 PANDEMIC

The Covid-19 pandemic is the defining global health crisis of our time and is spreading very fast across the continents. But it is much more than a health crisis and is having an unprecedented impact on people and economies worldwide. The Company is taking all necessary measures in terms of mitigating the impact of the challenges being faced in the business. The Company's management has made initial assessment of likely adverse impact on business and financial risks on account of Covid-19, and that the management does not see any medium to long term risks in the Company's ability to continue as a going concern and meeting its liabilities and compliance, as applicable. Due to nationwide lockdown in India, the operations were disrupted at the plant and were remained shut from March 23, 2020 to May 30, 2020. In view of the outbreak of the pandemic, the Company undertook timely and essential measures to ensure the safety and well-being of all its employees and workers at its plant locations and corporate office. The Company observed all the government advisories and guidelines thoroughly and in good faith.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The details of Loans, Guarantees or Investments covered under the provisions of section 186 of the Companies Act, 2013 made during the year under review are disclosed in the financial statements.

PARTICULARS OF EMPLOYEES

Details pertaining to remuneration as required under section 197(12) of the companies act, 2013 read with rule 5(1) of the companies (appointment and remuneration of managerial personnel) rules, 2014:

- a) The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2019-20 and ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2019-20 are as under:

Remuneration Ratio of Directors/ KMP/ Employees:

Name & Designation	Remuneration Paid		+/- in remuneration from previous year (Rs.)	Ratio/ Times per Median of employee remuneration
	FY 2019-20 (Rs in lacs)	FY 2018-19 (Rs in lacs)		
Vasudev S. Agarwal Chairman & MD	24,00,000	24,00,000	–	521.97/5.21
Bhoorsingh B. Parihar Executive Director	3,23,430	159030	+1,64,400	13.48/0.13
Manoharlal I Sharma Chief Financial Officer	6,05,600	5,68,100	+37,500	131.70/1.31
Rachita Somani Company Secretary	2,52,995	–	*	55.02/0.55
Konark P Patel Company Secretary	–	69086	\$	NA



Note : Except Key Managerial Personnel i.e. Managing Director, Chief Financial officer and Company Secretary, no other directors received any remuneration from the Company other than sitting fees for attending Board meetings and Committees meetings.

\$ Details not given as Mr. Konark P Patel was a Company Secretary and Compliance Officer only for part of the financial year 2019-20 i.e up to 10th April, 2019.

* Details not given as Ms. Rachita Somani was not a Company Secretary and Compliance Officer in the financial year 2018-19. Ms. Rachita Somani was appointed as Company Secretary and Compliance Officer w.e.f. 09th August, 2019.

b) Median remuneration of employees was Rs. 459800/- during the year 2019-20

c) The particulars of the employees who are covered by the provisions contained in Rule 5(2) and rule 5(3) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are as follows:

The number of permanent employees on the roll of Company: 182(One Hundred Eighty Two) as on 31 March, 2020.

d) *It is hereby affirmed that the remuneration paid is as per the Nomination and Remuneration Policy for Directors, Key Managerial Personnel and other Employees.*

INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has adequate internal control system, which is commensurate with the size, scale and complexity of its operations. The Company has a process in place to continuously monitor existing controls and identify gaps and implement new and / or improved controls wherever the effect of such gaps would have a material impact on the Company's operation.

Further, the Internal Auditor monitors and evaluates the efficacy and adequacy of internal control system in the Company, its compliance with the operating systems, accounting procedures and policies of the Company. Based on the report of Internal Auditor, the process owners undertake the corrective action in their respective areas and thereby strengthen the Control. Significant audit observation and corrective actions thereon are presented to the Audit Committee of the Board.

DIRECTORS' RESPONSIBILITY STATEMENT

As stipulated in Section 134(3)(c) read with sub section 5 of the Companies Act, 2013, Directors subscribe to the "Directors' Responsibility Statement", and confirm that:

- a) In preparation of annual accounts for the year ended 31st March, 2020, the applicable accounting standards have been followed and that no material departures have been made from the same;
- b) 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 or loss of the Company for that year;
- c) The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;



- d) The Directors had prepared the annual accounts for the year ended 31st March, 2020 on going concern basis.
- e) The Directors had laid down the internal financial controls to be followed by the Company and that such Internal Financial Controls are adequate and were operating effectively; and
- f) 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.

CORPORATE SOCIAL RESPONSIBILITY

During the financial year under review, the provisions of Section 135 of the Act relating to the Corporate Social Responsibility are not applicable to your Company.

COMPLIANCE WITH SECRETARIAL STANDARD

Your Company has complied with Secretarial Standards issued by the Institute of Company Secretaries of India on Board and General Meetings.

GENERAL

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

- 1. Details relating to deposits covered under Chapter V of the Companies Act, 2013.
- 2. The Managing Director of the Company didn't receive any remuneration or commission from any of its subsidiaries.
- 3. No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.

ACKNOWLEDGEMENT

Your Directors would like to express their appreciation for the assistance and co-operation received from the financial institutions, banks, Government authorities, customers, vendors and members during the year under review Your Directors place on record their deep appreciation to employees at all levels and workers for their hard work, dedication and commitment.

By Order of the Board
For, ANJANI SYNTHETICS LIMITED

Place : Ahmedabad
Date : 25th August, 2020

VASUDEV S. AGARWAL
(DIN: 01491403)
CHAIRMAN & MD



FORM NO. AOC-2

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

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

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

Anjani Synthetics Limited has not entered into any contract/ arrangement/ transaction with its related parties which are not in ordinary course of business or at arm's length during FY 2019-20. The Company has laid down policies and procedures so as to ensure compliance to the subject section in the Companies Act, 2013 and the corresponding Rules. In addition, the process goes through internal and external checking, followed by quarterly reporting to the Audit Committee.

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

2. Details of material contracts or arrangement or transactions at arm's length basis (Which may be deemed not in the ordinary course of business of the Company):

- | | |
|--|--------|
| (a) Name(s) of the related party and nature of relationship | : NA |
| (b) Nature of contracts / arrangements / transactions | : NA |
| (c) Duration of the contracts / arrangements / transactions | : NA |
| (d) Salient terms of the contracts or arrangements or transactions including the value, if any | : NA |
| (e) Date(s) of approval by the Board, if any | : NA |
| (f) Amount paid as advances, if any | : None |

**By Order of the Board
For, ANJANI SYNTHETICS LIMITED**

**Place : Ahmedabad
Date : 25th August, 2020**

**VASUDEV S. AGARWAL
(DIN: 01491403)
CHAIRMAN & MD**



ANNEXURE - I
FORM NO. MGT-9

EXTRACT OF ANNUAL RETURN AS ON THE FINANCIAL YEAR ENDED ON 31ST MARCH, 2020

[Pursuant to Section 92(3) of the Companies Act, 2013 & Rule 12(1) of the Companies
(Management & Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

i)	CIN	L11711GJ1984PLC007048
ii)	Registration Date	28.06.1984
iii)	Name of the Company	ANJANI SYNTHETICS LIMITED
iv)	Category / Sub-Category of the Company	Company Limited By Shares/ Indian Non-Government Company
v)	Address of the Registered Office and contact details	221 (Maliya), New Cloth Market O/s Raipur Gate Ahmedabad GJ 380002 IN Tel.: 079- 25715544/ 22173181 Email: info@anjanisynthetics.com Website: www.anjanisynthetics.com
vi)	Whether listed Company Yes / No	YES
vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any	Bigshare Services Private Limited A-804, Samudra Complex, Nr. Klassic Gold Hotel, Off. C. G. Road, Navrangpura Ahmedabad-380009, Gujarat, INDIA. Ph. No. 079-40024135 Email: bssahd@bigshareonline.com/ website: www.bigshareonline.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the Company shall be stated:

Sr. No.	Name and description of main products/services	NIC code of the product/service	% to total turnover of the Company
1	Cloth Processing	1313	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES: N.A.

Sr. No.	Name and address of the company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
	N.A.				


IV. SHAREHOLDING PATTERN (Equity share capital breakup as percentage of total equity)
i. Category-wise shareholding

Sl. No.	Category of Shareholders Particulars	No. of Shares held at the beginning of the year (01.04.2019)				No. of Shares held at the end of the year (31.03.2020)				Change during the year
		Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
A	Promoters and Promoter Group									
1	Indian									
	a Individual/HUF	10206375	0	10206375	69.20	10563981	0	10563981	71.62	2.42
	b Central Govt.									
	c State Govt.(s)									
	d Bodies Corp.	0	0	0	0.00	215411	0	215411	1.46	1.46
	e Banks / FI									
	f Any Other									
	Sub-total (A) (1):-	10206375	0	10206375	69.20	10779392	0	10779392	73.08	3.88
2	Foreign									
	a NRIs-Individuals									
	b Other-Individuals									
	c Bodies Corp.									
	d Banks/ FI									
	e Any Other									
	Sub-total (A) (2):-	0	0	0	0.00	0	0	0	0.00	0.00
	Total SH of Promoter & PG (A)=(A)(1)+(A)(2)	10206375	0	10206375	69.20	10779392	0	10779392	73.08	3.88
B	Public Shareholding									
1	Institutions									
	a Mutual Funds									
	b Banks / FI									
	c Central Govt	0	0	0	0	12514	0	12514	0.08	0.08
	d State Govt(s)									
	e Venture Capital Funds									
	f Ins. Companies									
	g FII's									
	h Venture Capital Funds									
	i Others									
	Sub-total (B) (1):-	0	0	0	0.00	12514	0	12514	0.08	0.08
2	Non-Institutions									
	a Bodies Corp.									
	i Indian	0	0	0	0.00	0	0	0	0.00	0.00
	ii Overseas									
	b Individuals									



Sl. No.	Category of Shareholders Particulars	No. of Shares held at the beginning of the year (01.04.2019)				No. of Shares held at the end of the year (31.03.2020)				% Change during the year
		Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
	i holding shares upto Rs.1 lakh	930780	43615	974395	6.61	878881	31615	910496	6.17	-0.44
	ii holding shares above Rs.1 lakh	2762613	12000	2774613	18.81	2606017	12000	2618017	17.75	-1.06
	NBFC Reg. with RBI	0	0	0	0.00					0.00
c	Any Others	0	0	0	0.00					0.00
	i Bodies Corp.	506729	10	506739	3.44	183610	10	183620	1.24	-2.20
	ii Clearing Member	12151	0	12151	0.08	2460		2460	0.02	-0.06
	iii NRIs	23339	0	23339	0.16	22289		22289	0.15	-0.01
IV.	NRNR	12721	0	12721	0.09	12391		12391	0.08	-0.01
V.	HUF	239667	0	239667	1.62	208821		208821	1.42	-0.20
	Sub-total (B) (2):-	4488000	55625	4543625	30.81	3914469	43625	3958094	26.83	-3.98
	Total Public SH [(B)=(B)(1)+(B)(2)]	4488000	55625	4543625	30.81	3926983	43625	3970608	26.92	-3.98
c	Shares held by Custodian for GDRs & ADRs	0	0	0	0.00	0	0	0	0.00	0.00
	Grand Total (A+B+C)	14694375	55625	14750000	100.00	14706375	43625	14750000	100.00	0.00

ii. Shareholding of Promoters

Sl. No.		Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No. of shares	% of total Shares of Co.	% of Shares Pledged/encumbered of total	No. of shares	% of total Shares	% of Shares Pledged/encumbered of total	
1	KAILASH S. AGARWAL	2648200	17.95	0.00	2648200	17.95	0.00	0.00
2	VASUDEV SUBHKARAN AGARWAL	2383600	16.16	0.00	2383600	16.16	0.00	0.00
3	SUBHKARAN T. AGARWAL	754400	5.11	0.00	754400	5.11	0.00	0.00
4	VASUDEV SUBHKARAN AGARWAL HUF	1006560	6.82	0.00	1006560	6.82	0.00	0.00
5	KAILASH SUBHKARAN AGARWAL HUF	1022700	6.93	0.00	1022700	6.93	0.00	0.00
6	ANITA VASUDEV AGARWAL	581255	3.94	0.00	938861	6.37	0.00	2.42
7	SUBHKARAN TILOKCHAND AGARWAL	789455	5.35	0.00	789455	5.35	0.00	0.00
8	PARTH KAILASH AGARWAL	150000	1.02	0.00	150000	1.02	0.00	0.00
9	ANJANA AGARWAL	137420	0.93	0.00	137420	0.93	0.00	0.00
10	AAKRUTI VASUDEV AGARWAL	100000	0.68	0.00	100000	0.68	0.00	0.00
11	AKSHIKA KAILASH AGARWAL	320000	2.17	0.00	320000	2.17	0.00	0.00
12	BIMLADEVI SUBHKARAN AGARWAL	312785	2.12	0.00	312785	2.12	0.00	0.00
13	AAKRITI SYNTHETICS PRIVATE LIMITED	0	0.00	0.00	215411	1.46	0.00	1.46
	TOTAL	10206375	69.20	0.00	10779392	73.08	0.00	3.88



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

Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of shares	% of total shares	No. of shares	% of total shares
At the beginning of the year	10206375	69.20		
Increase in Shareholding during the year (Market Purchase)	573017	3.88	10779392	73.08
At the End of the year			10779392	73.08

iv. Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sl. No.	Name of the shareholders	Shareholding at the beginning of the year as on 01.04.2019		Change in shareholding during the year		Shareholding at the end of the year as on 31.03.2020	
		No. of shares	% of total shares	No. of shares	% of total shares	No. of shares	% of total shares
1	SANDIP CHANDRAKANT SHAH	210000	1.42	0	0.00	210000	1.42
2	BHAVINI S SHAH	200000	1.36	0	0.00	200000	1.36
3	ROOPA SUNIL MEHTA	200000	1.36	0	0.00	200000	1.36
4	SUNIL KANAIYALAL MEHTA	200000	1.36	0	0.00	200000	1.36
5	GEETA RAMBHAGAT AGARWAL	90000	0.61	102000	0.69	192000	1.30
6	SANGEETHAS	0.00	0.00	188350	1.28	188350	1.28
7	NARASIMHA SWAMY YALAMANCHILI	179999	1.22	0	0.00	179999	1.22
8	SACHINKUMAR SANTKUMAR AGRAWAL	135000	0.92	0	0.00	135000	0.92
9	DHEERAJ KUMAR LOHIA	106195	0.72	7810	0.05	114005	0.77
10	ANGEL HOLDINGS PRIVATE LIMITED	112011	0.76	0	0.00	112011	0.76



v. Shareholding of Directors and Key Managerial personnel

Sl.	Name of the Directors/ KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares	No. of shares	% of total shares
1	MR. VASUDEV SUBHKARAN AGARWAL				
	At the beginning of the year	2383600	16.16	2383600	16.16
	Date wise Increase/ Decrease in Shareholding during the year	0	0.00	0	0.00
	At the End of the year	–	–	2383600	16.16
2	BHOORSINGH BAGSINGH PARIHAR				
	At the beginning of the year	0	0.00	0	0.00
	Date wise Increase/ Decrease in Shareholding during the year	0	0.00	0	0.00
	At the End of the year				
3	GOPAL SANWARMAL PANSARI				
	At the beginning of the year	0	0.00	0	0.00
	Date wise Increase/ Decrease in Shareholding during the year	0	0.00	0	0.00
	At the End of the year				
4	SOURABH VIJAY PATAWARI				
	At the beginning of the year	0	0.00	0	0.00
	Date wise Increase/ Decrease in Shareholding during the year	0	0.00	0	0.00
	At the End of the year				
5	GARIMA JAIN				
	At the beginning of the year	0	0.00	0	0.00
	Date wise Increase/ Decrease in Shareholding during the year	0	0.00	0	0.00
	At the End of the year				
6	RACHITA SOMANI - COMPANY SECRETARY				
	At the beginning of the year	0	0.00	0	0.00
	Date wise Increase/ Decrease in Shareholding during the year	0	0.00	0	0.00
	At the End of the year				
7	MANHORLAL ISHWARRAM SHARMA- CFO				
	At the beginning of the year	0	0.00	0	0.00
	Date wise Increase/ Decrease in Shareholding during the year	0	0.00	0	0.00
	At the End of the year				


V. Indebtedness (Rs.in lakhs)

Indebtedness of the Company including interest outstanding/ accrued but not due for payment

Amt. in Rupees

Particulars	Secured Loan excluding deposits	Unsecured Loan	Deposits*	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	646755674	11059531	0	657815205
ii) Interest due but not paid	0	22849	0	22849
iii) Interest accrued but not due	0	0	0	0
Total (i+ii+iii)	646755674	11082380	0	657838054
Change in Indebtedness during the financial year				
Addition	0	107339912	0	107339912
Reduction	146856174	83557292	0	230413466
Net Change Indebtedness	-146856174	23782620	0	-123073554
At the end of the financial year				
i) Principal Amount	499899500	34865000	0	534764500
ii) Interest due but not paid	0	2693122	0	2693122
iii) Interest accrued but not due	0	0	0	0
Total (i+ii+iii)	499899500	37558122	0	537457622

VI. Remuneration of Directors and Key Managerial Personnel
A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

Sl. No.	Particulars of Remuneration	Name of the MD/WTD/Manager/Director		Total Amount
1	Gross Salary	Vasudev S. Agarwal	Bhoorsingh B. Parihar	
a	Salary as per provisions contained in section 17(1) of the Income tax Act, 1961	2400000	323430	2723430
b	Value of perquisites u/s 17(2) Income tax Act, 1961			
c	Profits in lieu of salary under section 17(3) Income tax Act, 1961			
2	Stock Option			
3	Sweat Equity			
4	Commission			
	- as a % of profit			
	others (specify)			
5	Others, please specify: Retirement Benefits			
	Total (A)	2400000	323430	2723430
	Ceiling as per the Act	10% of NP		

**B. Remuneration to other directors:**

SI.No.	Particulars of Remuneration	Name of the other Directors			Total Amount
1	Independent Directors	Mr. Gopal S. Pansari	Mr. Sourabh V. Patawari	Ms. Garima Jain	
	Fee for attending board / committee meetings	34000	39000	38000	111000
	Commission				
	Others, please specify				
	Total 1				
2	Other Non Executive Directors	Mr.	Mr.	Mr.	
	Fee for attending board / committee meetings				
	Commission				
	Others, please specify				
	Total 2				
	Total (B)=(1+2)				111000
	Total Managerial Remu.(A+B)				2834430
	Overall Ceiling as per the Act				

C. Remuneration to key managerial personnel other than MD/Manager/WTD

SI.No.	Particulars of Remuneration	Key Managerial Personnel		Total Amount
1	Gross Salary	Manharlal Sharma (CFO)	CS Rachita Somani	
a	Salary as per provisions contained in section 17(1) of the Income tax Act, 1961	605600	252995	858595
b	Value of perquisites u/s 17(2) Income tax Act, 1961			
c	Profits in lieu of salary under section 17(3) Income tax Act, 1961			
2	Stock Option			
3	Sweat Equity			
4	Commission			
	- as a % of profit			
	others (specify)			
5	Others, please specify: Retirement Benefits			
	Total	605600	252995	858595
	Ceiling as per the Act	NA	NA	NA

*MD is also CEO



VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

There are no penalties/punishment/compounding of offences against the Company and its Directors and officers for the year ended March 31, 2020

**For & on behalf of the Board
For, Anjani Synthetics Limited**

Place : Ahmedabad

Date : 25th August, 2020

**[VASUDEV S. AGARWAL]
Managing Director**

**ANNEXURE-II**

The information relating to Conservation of Energy, Technology Absorption and Foreign Exchange Earning and Outgo, required under Section 134 (3) (m) of the Companies Act, 2013 are as under:

A. CONSERVATION OF ENERGY**Energy Conservation Measures Taken:**

Conservation of Energy has always been an area of priority in the Company's operations. The Company is in the process of installation of energy efficient machinery. Further, details of power and fuel consumption have been mentioned in the Notes to the financial statements.

B. RESEARCH & DEVELOPMENT

Continued improvement in the products and processes adopted by the company is one of the basic areas of emphasis in terms of company's management policy. This helps achieve operational efficiencies over the period and equips the company in terms of product and process innovations as well as better cost management. Also, the Company has Quality Control Department to check the quality of different product manufactured.

C. TECHNOLOGY ABSORPTION, ADAPTATION & INNOVATION

The Company always keeps itself updated with all latest technological innovations by way of constant communications and consulting. Efforts are being made to reduce cost and to improve performance.

D. FOREIGN EXCHANGE EARNINGS AND OUTGO:

[Amount in Rupees]

Foreign Exchange Earnings and Outgo	2019-20	2018-19
a) Foreign Exchange Earnings	81537055	113375014
b) CIF Value of Imports	2405346	9843647
c) Expenditure in Foreign Currency	Nil	Nil

For and on behalf of the Board
For, ANJANI SYNTHETICS LIMITED

Place: Ahmedabad

Date: 25th August, 2020

VASUDEV S. AGARWAL
(DIN: 01491403)
CHAIRMAN & MD



ANNEXURE-III

SECRETARIAL AUDIT REPORT

For the financial year ended March 31, 2020

[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,

ANJANI SYNTHETICS LIMITED

(CIN: L11711GJ1984PLC007048)

221(Maliya), New Cloth Market, O/s Raipur Gate

Ahmedabad-380002,

Gujarat, India

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Anjani Synthetics 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 information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, the explanations and clarifications given to me and the representations made by the management, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31st March, 2020, generally 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 maintained by the Company for the financial year ended on 31st March, 2020 and made available to me according to the provisions of:

- (i) The Companies Act, 2013 ("the Act") and the rules made thereunder as applicable;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA) and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 as amended from time to time;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 and 2015, as amended from time to time;



- (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);
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014(Not applicable to the Company 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);
 - (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); and
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (Not applicable to the Company during the audit period);
- (vi) The Management has identified and confirmed the following laws as specifically applicable to the Company:
- a) The Factories Act, 1948;
 - b) Employees Provident Funds & Misc. Provisions Act, 1952
 - c) Employees State Insurance Act, 1948
 - d) The Environment (Protection) Act, 1986
 - e) The Air (Prevention and Control of pollution) Act, 1981
 - f) The Water (Prevention and Control of pollution) Act, 1974
 - g) The Contract Labour (Regulation and Abolition) Act, 1970 & its Central Rules/ concerned State Rules

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

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

During the period under review the Company has generally complied with the all material aspects of applicable provisions of the Acts, Rules, Regulations, Guidelines, Standards, etc. mentioned above except the following:

As per Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Second Amendment Rules, 2019, Company was required to file form IEPF-4 regarding statement of shares to be transferred to the Investor Education and Protection Fund for the financial year 2007-08 but the Company could not file form IEPF-4 due to some technical issues in the form.

I further report that:

- a) The Compliance by the Company of applicable financial laws, like direct and indirect tax laws, has not been reviewed in this Audit since the same have been subject to review by statutory financial auditor and other designated professionals.



- b) The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Women Directors and Independent Directors. The changes if any 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.
- c) Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were generally sent 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.
- d) All decisions of the Board and Committees were carried with requisite majority.

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.

For, MUKESH H. SHAH & CO.
Company Secretaries

Place: Ahmedabad

Date: 20.08.2020

UDIN NO: F005827B000597715

[MUKESH H. SHAH]
PROPRIETOR
CP. NO. 2213
FCS NO.:5827

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

Due to restricted movement amid COVID-19 pandemic, I have conducted the Secretarial audit by examining the secretarial records including Minutes, Documents, Registers and other records, etc., some of them received by way of electronic mode from the Company and could not be verified from the original records. The management has confirmed that the records submitted to me are the true and correct.



ANNEXURE- A

To the Members,

ANJANI SYNTHETICS LIMITED

221 (Maliya), New Cloth Market,

O/s Raipur Gate

Ahmedabad-380002, Gujarat, India

My secretarial audit report for the financial year 31st March, 2020 is to be read along with this letter.

Management's Responsibility

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.

Auditor's Responsibility

2. My Responsibility is to express an opinion on these secretarial records, standards and procedures followed by the company with respect to secretarial compliances.
3. I believe that Audit evidence and information obtained from the company's management is adequate and appropriate for us to provide a basis for our opinion.
4. Wherever required, I have obtained the Management's representation about the compliance of laws, rules and regulations and happening of events etc.

Disclaimer

5. 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.
6. I have not verified the correctness and appropriateness of financial records and books of account of the company.

For, MUKESH H. SHAH & CO.

Company Secretaries

Place : Ahmedabad

Date : 20.08.2020

UDIN NO: F005827B000597715

[MUKESH H. SHAH]

PROPRIETOR

CP. NO. 2213

FCS NO.:5827



ANNEXURE- IV

REPORT ON CORPORATE GOVERNANCE

[Pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

“Corporate Governance refers to the set of systems, principles and processes by which Company is governed. They provide the guideline as to how the Company can be directed or controlled so as to fulfill its goals and objectives in a manner that adds to the value of the Company and benefit to all the stakeholders in the long term. Strong and improved Corporate Governance practices are indispensable in today’s competitive world and complex economy.”

1. COMPANY’S PHILOSOPHY ON CORPORATE GOVERNANCE

The fundamental principle of Corporate Governance is achieving sustained growth ethically and in the best interest of all stakeholders. It is not a mere compliance of laws, rules and regulations, but a commitment to values, best management practices and adherence to the highest ethical principles in all its dealings, to achieve the objects of the Company, enhance stakeholder value and discharge its social responsibility. The Company has a strong legacy of fair, transparent and ethical governance practices and it believes that good Corporate Governance is essential for achieving long-term corporate goals and to enhance stakeholders’ value. In this pursuit, the Company’s philosophy on the Code of Governance is based on the belief that effective Corporate Governance practices constitute a strong foundation on which successful commercial enterprises are built to last. Good Corporate Governance is indispensable to resilient and vibrant capital markets and is, therefore, an important instrument of investor protection. As a good corporate citizen, the Company lays great emphasis on a corporate culture of conscience, integrity, fairness, transparency, accountability and responsibility for efficient and ethical conduct of its business

The Company believes that good corporate governance practices help to enhance performance and valuation of the Company. The Company also respects the right of its shareholders to information on the performance of the Company and considers itself as trustee of its shareholders.

The Company is in compliance with the conditions of corporate governance as required under the SEBI (Listing Obligation and Disclosures Requirement) Regulations, 2015 (SEBI Listing Regulations) as applicable.

2. BOARD OF DIRECTORS:

The Board of Directors of the Company is the highest governance authority within the management structure of the Company. Further, the Board of Directors of the Company is totally committed to the best practices for effective Corporate Governance.

The Board of Directors, along with its Committees, provides leadership and guidance to the management and directs and supervises the performance of the Company, thereby enhancing stakeholders’ value. The Board has a fiduciary duty in ensuring that the rights of all stakeholders are protected. The Board composition is in conformity with Section 149 of the Act and Regulation 17 of the Listing Regulations

(A) Composition of the Board:

The Board of Directors of the Company has been constituted in manners which ensure the optimum combination of Executive/Non-Executive and Independent/Non-Independent Directors to ensure proper governance and management. Your Company’s Board comprises of 5 (five) Directors of which 1(one) is Executive Managing Director, 1 (one) is Executive Director and 3 (Three) are Non-Executive Independent Directors. The Chairman of the Board of Directors is Executive Managing Director.



None of the Directors is related to each other and there are no inter-se relationships between the Directors.

The Company has an active, diverse, experienced and a well-informed Board. The Company currently has a right mix of Directors on the Board who possess the requisite qualifications and experience in general corporate management, finance and other allied fields which enable them to contribute effectively to the Company in their capacity as Directors of the Company.

Mr. Vasudev S. Agarwal, Promoter and Executive Director, is the Chairman and Managing Director of the Company, heading the Board.

Ms. Garima Jain serves as Non-Executive/Independent-Women Director on the Board of Directors Thus, the Company complies with the requirement of appointment of Women Director under the Companies Act, 2013 and Regulation 17(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

None of the Directors hold office in more than 20 companies and in more than 10 public companies as prescribed under Section 165(1) of the Act. No Director holds Directorships in more than 7 listed companies. Further, none of the Non-Executive Directors serve as Independent Director in more than 7 listed companies as required under the Listing Regulations. The Managing Director does not serve as an Independent Director in any listed company.

(B) Category of Directors, their attendance at the Board and AGM, etc.

The category of Directors, their attendance at the Board Meetings for the year 2019-20 and the last Annual General Meeting, the particulars of no. of other Directorships and Committee Memberships held are as follows: (See Table-I).

(C) Information on Board Meetings, Procedure and Evaluation:

The Board Meetings are held at least once in every quarter inter-alia, to review the quarterly results of the Company. The gap between the two Board Meetings does not exceed 120 days.

Further, the agenda is circulated well in advance to the Board/ Committee Members along with comprehensive background information on the items in the agenda to enable the Board and Committees to arrive at appropriate decisions. The Company Secretary tracks and monitors Board and Committee proceedings to ensure that the Terms of Reference/Charters are adhered to, decisions are properly recorded in the minutes and actions on the decisions are tracked. The agenda and related information is circulated through a highly secure web-based application, which can be accessed electronically. This has reduced paper consumption, thereby enhancing the sustainability efforts of the Company. All the mandatory items as prescribed in Regulation 17(7) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are placed before the Board of Directors.

During the year under review the Board of Directors met 6 (SIX) Board Meetings which were convened and held on 10.04.2019, 30.05.2019, 15.06.2019, 09.08.2019, 25.10.2019 and 11.02.2020.

The Board of Directors periodically reviews Letter of Assurance to strengthening the legal framework step by step in order to ensure the compliance with all the applicable Laws pursuant to Regulation 17(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

The Board of Directors has its own plan on orderly succession for appointment to the Board of Directors and Senior Management pursuant to Regulation 17(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Management Committee oversees day to day operations of the Company, which consist of Two (2) Executive Directors subject to supervision and control of the Board of Directors. The Management Committees appointed by the Board of Director make decision within the authority delegated. All decisions/ recommendation of the

Committees are placed before the Board of Director for information and/or its approval.

Board Evaluation: In terms of the requirement of the Act and the Listing Regulations, an annual performance evaluation of the Board is undertaken where the Board formally assesses its own performance with the aim to improve the effectiveness of the Board and the Committees. During the year, Board Evaluation cycle was completed by the Company internally which included the Evaluation of the Board as a whole, Board Committees and Peer Evaluation of the Directors. The exercise was led by the Chairman and Managing Director of the Company along with the Chairman of the Nomination and Remuneration Committee of the Company. The Evaluation process focused on various aspects of the functioning of the Board and Committees such as composition of the Board, Board Oversight and effectiveness, performance of Board Committees, Board skills and structure, etc. Separate exercise was carried to evaluate the performance of Independent Directors by the Board of Directors in its Board Meeting held on 13.02.2020 for the financial year 2019-20 pursuant to Regulation 17(10) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

A separate Meeting of Independent Directors was held on 13.02.2020 to review the performance of Non-Independent Directors and Board of Directors as whole pursuant to Regulation 26(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the terms and conditions of Independent Directors are incorporated on the website of the Company www.anjanisynthetics.com

Attendance record of Directors attending the Board meetings and Annual General Meetings during the year 2019-20:

Table-I

Name of the Director, their Designation & (DIN)	Category of Director	No. of Board Meetings		Last AGM Attendance	No. of other Directorship & Committee Member/ Chairmanship in other Companies		
		Held	Attended		Directorship*	Committee Membership**	Committee Chairmanship**
Vasudev S. Agarwal-CMD (01491403)	Executive Director	6	6	Yes	—	—	—
Mr. Bhoorsingh B. Parihar (01612692)	Executive Director	6	6	Yes	—	—	—
#Ms. Garima Jain (08456031)	Independent & Non-Executive	6	4	Yes	—	—	—
Mr. Gopal S. Pansari (08226713)	Independent & Non-Executive	6	6	Yes	—	—	—
Mr. Sourabh Vijay Patawari (08364509)	Independent & Non-Executive	6	6	Yes	***01	***02	—
\$ Mrs. Pooja Sharma (07198180)	Independent & Non-Executive	6	2	No	—	—	—



*Including Private Companies, **Committees include Audit Committee & Stakeholder's Grievance and Relationship Committee for the purpose of Regulation 26(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Ms. Garima Jain was appointed as Non-executive Independent Women Director on 15.06.2019. \$ Mrs. Pooja Sharma has resigned on 15.06.2019

*** Mr. Sourabh V. Patwari acts as Non- Executive Independent Director in Aarnav Fashions Limited. Also he is member in Audit Committee & Stakeholder's Grievance and Relationship Committee of Aarnav Fashions Limited

None of the Directors of Board is a member of more than 10 (Ten) Committees and no Director is Chairman of more than 5 (five) committees across all the Companies in which they are Director. The necessary disclosures regarding Committee positions have been made by all the Directors pursuant to Regulation 26(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Further, none of the Director of the Company is serving as a Whole-time Director in any Listed Company is holding position of Independent Director more than 3 (three) Listed Companies pursuant to Regulation 25(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Matrix highlighting core skills/expertise/competencies of the Board of Directors:

The Board of Directors has identified the following skills required for the Company and the availability of such skills with the Board:

Skills & Expertise	Mr. Vasudev S. Agarwal	Mr. Bhoorsingh B Parihar	Mr. Gopal S. Pansari	Mr. Sourabh V. Patwari	Ms. Garima Jain
General Management & Leadership Experience	✓	✓	✓	✓	✓
Financial Expertise	✓		✓	✓	✓
Risk Management	✓	✓	✓	✓	✓
Corporate Governance & Legal		✓		✓	✓
Industry Experience & entire value chain	✓	✓	✓	✓	
Marketing & quality control	✓	✓	✓		✓
Human Resources & Communication	✓	✓		✓	✓

Familiarization programme for Independent Directors: The Independent Directors are provided with necessary documents, reports and other relevant information to enable them to familiarize with the Company's procedures and practices. The Independent Directors are taken for visit to Company's various plants / units, to enable them to have full understanding of manufacturing operations & processes of the Company and the industry in which it operates. Periodic presentations are made at the Board meetings on business and performance updates of the Company, business strategy and risks involved. At the time of induction of the newly appointed Independent Director, he / she is apprised adequately about the Company, latest financial statements with business model, industry

scenario, competition, significant recent developments and also the Board processes which is apprised by the Managing Director, the Chief Financial Officer, the Company Secretary and the Senior Management of the Company. Details of the familiarization programme for the Independent Directors are available on the website of the Company: (URL: [http://anjanisynthetics.com/jp/investor_relations/Familiarization_Policy_Independent_Director .pdf](http://anjanisynthetics.com/jp/investor_relations/Familiarization_Policy_Independent_Director.pdf))

(D) Number of Shares held by Non-Executive Independent Directors

The details of Shares held by Non-Executive Directors of the Company pursuant to Regulation 26(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as on 31st March, 2020 are as under:

Sr. No	Name of Non-Executive Director	No. of Shares held	% Held
1.	Mr. Gopal Sanwarmal Pansari	Nil	0.00
2.	Ms. Garima Jain	Nil	0.00
3.	Mr. Sourabh Patawari	Nil	0.00

(E) Code of Conduct:

The Board has laid down a Code of Business Conduct and Ethics (the "Code") for all the Board Members and Senior Management of the Company. Reference of part D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and in compliance with in Compliance with Regulation 17(5) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Company has adopted a Code of Ethics for principal Executives and the Senior Management Personnel covering duties of Independent Directors as laid down in the Companies Act 2013. All the Board Members and Senior Management Personnel have affirmed Compliance with the Code of Conduct. The Code is available on the website of the Company. A declaration signed by the Chairman and Managing Director to this effect is attached at the end of this report.

(F) CEO/ CFO certification :

Pursuant to Regulation 17(8) and Regulation 33(2)(a) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, CEO and CFO of the Company have certified to the Board of Directors the financial statement for the financial year ended 31st March, 2020.

(G) Risk Management

The Company has framed a formal Risk Management Framework for risk assessment and risk minimization which is periodically reviewed to ensure smooth operation and effective management control. The Audit Committee also reviews the adequacy of the risk management framework of the Company, the key risks associated with the business and measure and steps in place to minimize the same. The Board undertakes periodic review of various matters.

3. COMMITTEES OF THE BOARD:

The Board Committees play a vital role in ensuring sound Corporate Governance practices. The Committees are constituted to handle specific activities and ensure speedy resolution of diverse matters. The Board Committees are set up under the formal approval of the Board to carry out clearly defined roles which are considered to be performed by members of the Board, as a part of good governance practice. The Board supervises the execution of its responsibilities by the Committees and is responsible for their action. The minutes of the meetings of all the Committees are placed before the Board for review.

(A) AUDIT COMMITTEE:

Apart from all the matters provided in 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and section 177 of the Companies Act 2013, the Audit committee reviews reports of the internal auditor,



meets statutory auditors as and when required and discusses their findings, suggestions, observations and other related matters. It also reviews major accounting policies followed by the company. The Chief Financial Officer, representatives of Statutory Auditors, Internal Auditor and Finance & Accounts department are invited to the meetings of the Audit Committee.

Composition and Attendance:

The Audit Committee comprises of three (3) Directors and all are Non-Executive and Independent Directors. Mr. Gopal S. Pansari, Chairman of the Audit Committee is a Non-Executive and Independent Director. The Constitution of the Committee meets the requirements of Section 177 of the Companies Act, 2013 as well as Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Statutory Auditors and Internal Auditors attend the meetings by invitation. Mr. Gopal S. Pansari, Chairman of the Audit Committee was present at the last Annual General Meeting of the Company.

During the year the Audit Committee met 4 times on 30.05.2019, 09.08.2019, 25.10.2019 and 11.02.2020 attendance of the members as under:

Name of the Member	Designation	Category	No. of Meeting attended	
			Held	Attended
Mr. Gopal S. Pansari	Chairman	Non-Executive & Independent Director	4	4
Mr. Sourabh V. Patawai	Member	Non-Executive & Independent Director	4	4
Ms. Garima Jain	Member	Non-Executive & Independent Director	4	3
Mrs. Pooja S. Sharma (Resigned on 15.06.2019)	Member	Non-Executive & Independent Director	4	1

The Committee is authorized by the Board of Directors in the manner as envisaged under Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as well as under Section 177 of the Companies Act, 2013. The Committee has been assigned task as listed under Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Committee reviews the information as listed under Regulation 18(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as well as under Section 177 of the Companies Act, 2013.

Broad Terms of Reference of the Committee inter-alia include:

- ⌘ Appointment & performance evaluation of statutory and internal auditors;
- ⌘ Review of Company's financial statements, internal financial reporting process and the audit process;
- ⌘ Review of adequacy, reliability and effectiveness of internal financial controls, risk management process and vigil mechanism;
- ⌘ Approval of related party transactions;
- ⌘ Monitoring of process for compliance with laws, regulations and the code of conduct;
- ⌘ Review of compliance with provision of SEBI Insider Trading Regulations, 2015;
- ⌘ Scrutiny of inter-corporate loans and investments;
- ⌘ Review of utilization of loans and/or advances from/investment by the holding Company in the subsidiary exceeding Rs.100 Crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans/advances/investments.

**(B) STAKEHOLDERS' GRIEVANCES AND RELATIONSHIP COMMITTEE:****Composition and Attendance**

The Stakeholder's Grievances and Relationship Committee comprises of 3 (three) Directors, all are Non-Executive Directors. Mr. Gopal S. Pansari, Chairman of this Committee is Non-Executive Independent Director.

During the year, 4 (four) Shareholder Grievance Committee meetings were held During the year the Audit Committee met 4 times on 30.05.2019, 09.08.2019, 25.10.2019 and 11.02.2020 attendance of the members as under:

Name of the Member	Designation	Category	No. of Meeting attended	
			Held	Attended
Mr. Gopal S. Pansari	Chairman	Non-Executive & Independent Director	4	4
Mr. Sourabh V. Patawai	Member	Non-Executive & Independent Director	4	4
Ms. Garima Jain	Member	Non-Executive & Independent Director	4	3
Mrs. Pooja S. Sharma (Resigned on 15.06.2019)	Member	Non-Executive & Independent Director	4	1

Broad Terms of Reference of the Committee inter-alia include:

- ④ Approval and monitoring of transfer, transmission, split, consolidation and dematerialization, re-materialisation of shares/securities and issuance of duplicate share/security certificates by the Company as per the approval matrix;
 - ④ Overseeing various issues relating to shareholders/security holders, including redressal of complaints relating to transfer of shares/security, non-receipt of annual reports, dividends declared etc.;
 - ④ Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company. Shareholders Complaints are redressed through SEBI Complaints Redress System (SCORES).
- 1) Name of Non-executive Director heading the Committee: Mr. Gopal S. Pansari.
 - 2) Number of shareholders' complaints received: During the year 2019-20, the Company received complaints: Nil
 - 3) Number not solved to the satisfaction of shareholders: Nil
 - 4) Number of pending share transfers: Nil
 - 5) During the year the Committee met: 4 times.

(C) NOMINATION AND REMUNERATION COMMITTEE:

The nomination & remuneration committee for appointment and remuneration of executive directors was constituted and consists of Non-executive Independent Directors and Non-executive and Non-independent which evaluates and finalizes among other things, compensation and benefits of the Executive Directors. The Constitution of the Committee meets the requirements of Section 178 of the Companies Act, 2013 as well as Regulation 19 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**Composition and Attendance at the N&RC meetings**

During the financial year, 3 (two) Nomination and Remuneration Committee Meetings were held as on 30.05.2019, 09.08.2019, 11.02.2020. The Committee reviews the information as listed under Regulation 19(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as well as under Section 178 of the Companies Act, 2013.

Name of the Member	Designation	Category	No. of Meeting attended	
			Held	Attended
Mr. Gopal S. Pansari	Chairman	Non-Executive & Independent Director	3	3
Mr. Sourabh V. Patawai	Member	Non-Executive & Independent Director	3	3
Ms. Garima Jain	Member	Non-Executive & Independent Director	3	2
Mrs. Pooja S. Sharma (Resigned on 15.06.2019)	Member	Non-Executive & Independent Director	3	1

Terms of reference and complains:

- ⌘ Recommendation of nominations for membership of the Board, its Committees and the leadership team of the Company including Key Managerial Personnel ('KMP') as defined by the Companies Act, 2013 and Senior Management.
- ⌘ Formulation of criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board of Directors a policy relating to the remuneration of the Directors, Key Managerial Personnel and other employees.
- ⌘ Formulation of criteria for evaluation of performance of Independent Directors and the Board of Directors.
- ⌘ Evaluation of performance of the Board, its Committees and individual Directors.
- ⌘ Devising a policy on diversity of Board of Directors.
- ⌘ Recommendation of remuneration payable to senior management.

4. REMUNERATION OF DIRECTORS**(a) Remuneration Policy:**

The Objective of Remuneration Policy is directed towards having the compensation structure that will reward and retain the talent.

The Company has adopted and implemented the provision of Section 178 of the Companies Act, 2013 on the requirement of the Committee to recommend to the Board a policy, relating to the remuneration of the Directors, Key management personnel and Senior Management.

The remuneration payable to Directors, Key Managerial Personnel and Senior Management Person will involve a balance between fixed and incentive pay reflecting short term and long term performance objectives appropriate to the working of the Company and its goal.

The remuneration levels are governed by industry pattern, qualification and experience of employee, responsibilities shouldered, individual performance and Company performance.



Non-Executive Directors have no pecuniary relationship or transaction with the Company, except receiving sitting fees for attending Meetings. The Company does not pay any severance fee and no stock option is available to the directors

(b) Disclosures with respect to Remuneration

The aggregate value of salary, perquisites, commissions, Performance incentive & Sitting fees paid for the year 2019-20 to all the Directors are as follows.

(Rs. In Lacs)

Name of Director	Status Category	BM	AC	Sitting SGRC	Fees NRC	IDM	Remuneration Fixed Salary	Total
Vasudev S. Agarwal	ED	–	–	–	–	–	24.00	24.00
Bhoorsingh Bagsingh Parihar	ED	–	–	–	–	–	3.23	3.23
Gopal S. Pansari	ID&NED	0.34	–	–	–	–	–	0.34
Sourabh V. Patawari	ID&NED	0.39	–	–	–	–	–	0.39
Garima Jain	ID&NED	0.38	–	–	–	–	–	0.38
Pooja S. Sharma	ID & NED	–	–	–	–	–	–	–
Total								28.34

Notes: BM-Board Meeting, AC-Audit Committee Meeting, SGRC-Shareholders Grievance and Relationship Committee Meeting, NRC- Nomination and Remuneration Committee Meeting. IDM- Independent Director Meeting.

Fixed Salary includes Salary, Perks & Retirement Benefits.

5. FEES TO STATUTORY AUDITORS

The details of fees paid to Statutory Auditors by the Company during the year ended March 31, 2020 are as follows:

(Rs. In Lakhs)

Sr. No.	Particulars	M/s. Abhishek Kumar & Associates and their network entities
1.	Audit Fees	1.50
2.	Certification Charges	0.08
	Total	1.58

6. INFORMATION ABOUT GENERAL BODY MEETINGS

A. Annual General Meetings/Extra-Ordinary General Meetings

Location and time for last 3 years Annual General Meetings/ Extra Ordinary General Meetings held as under:



Financial Year	AGM	Location/ Place of Meeting	Date	Time a.m./ p.m.
2018-19	35 th	Plot No.140, Saijpur Gopalpur, Pirana Road, Piplej, Ahmedabad-382405	27.09.2019	11:00 A.M
2017-18	34 th	Plot No.140, Saijpur Gopalpur, Pirana Road, Piplej, Ahmedabad-382405	28.09.2018	11:00 A.M
2016-17	33 rd	Plot No.140, Saijpur Gopalpur, Pirana Road, Piplej, Ahmedabad-382405	29.09.2017	11.00 A.M.

No Extra-Ordinary General Meeting was held during the financial year 2019-20.

B. Special Resolution

Particulars of Special Resolution passed at last 3 years Annual General Meetings/ Extra Ordinary General Meetings are as follows:

FY (AGM/EGM)	Particulars	Date
2018-19(AGM)	1. To give Authority to related party transaction	27.09.2019
2017-18(AGM)	1. To give Authority to related party transaction	28.09.2018
2016-17 (AGM)	1. To give Authority to related party transaction 2. Issuance of 3949000 equity shares of preferential basis.	29.09.2017

C. Postal Ballot:

During the financial year under review the Company had not transacted any business- special resolution through Postal Ballot

7. MEANS OF COMMUNICATION

The Company has submitted its quarterly, half yearly and yearly financial results to the Stock Exchanges as well as published in leading Newspapers normally in leading English and in Vernacular daily Newspapers immediately after its approval by the Board. The Company did not send the half yearly report to the Shareholders of the Company.

a) Financial Results for the Quarter ended:

30 th June, 2020	45 days from end of Quarter 30 th June, 2020
30 th September, 2020	45 days from end of Quarter 30 th September, 2020
31 st December, 2020	45 days from end of Quarter 31 st December, 2020
Audited Results for the year ended on 31 st March, 2021	60 days from end of Financial Year (i.e. on or before 30 th May, 2021) (As per Regulation 33 of The SEBI (LODR) Regulations, 2015)

b) SEBI Complaints Redress System (Scores):

SEBI has initiated SCORES for processing the investor complaints in a centralized web based redress system and online redressal of all the shareholders complaints. The company is in compliance with the SCORES and redressed the shareholders complaints well within the stipulated time.

c) BSE Listing Centre:

The new electronic system introduced by BSE Limited for submission of Quarterly/ Half Yearly/ yearly compliance

like Shareholding Pattern, Corporate Governance Report, Board Meeting intimation of the Company and other corporate announcements in e-mode. BSE Listing Centre is web based application designed by the BSE Limited for Corporate.

8. GENERAL INFORMATION FOR SHAREHOLDERS

Date of Incorporation of the Company	28th day of June, 1984
Financial year	01.04.2019 to 31.03.2020
Day, date and time of AGM	Monday, 28 th September, 2020 at 11.00 a.m.
Mode of AGM	Through Video Conferencing (VC) or Other Audio Visual Means (OAVM)
Dates of Book Closure	22.09.2020 to 28.09.2020 (both days inclusive)
Cut-off Date for E-voting	21.09.2020

a) Listing On Stock Exchange:

The Shares of the Company are listed at BSE Limited.

b) Stock Code and ISIN No.

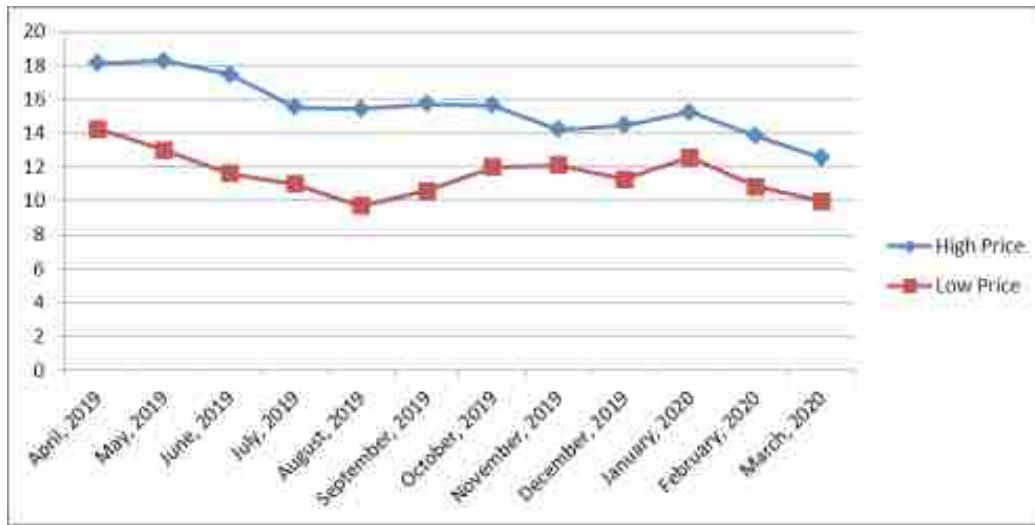
Stock Exchange	Scrip Code	ISIN
BSE Ltd.– Mumbai	531223	INE364D01024

d) Stock Market Data

Monthly high and low of closing quotations of shares traded on BSE Limited, Mumbai.

Month	High Price (Rs)	Low Price (Rs)
April, 2019	18.10	14.25
May, 2019	18.25	13.00
June, 2019	17.45	11.60
July, 2019	15.50	11.00
August, 2019	15.43	9.70
September, 2019	15.68	10.60
October, 2019	15.64	12.00
November, 2019	14.22	12.10
December, 2019	14.45	11.26
January, 2020	15.24	12.56
February, 2020	13.84	10.84
March, 2020	12.55	9.96

e) Shareholding Profile:



Mode of Holding	As on 31st March, 2020		As on 31st March, 2019	
	No. of Shares	% to Equity	No. of Shares	% to Equity
Demat	14706375	99.70	14694375	99.62
Physical	43625	0.30	55625	0.38
Total	14750000	100.00	14750000	100.00

f) Shareholding Pattern (As of 31st March 2020)

Sr. No.	Categories	No. of shares	% of total holding
A	Promoters Holding		
	Promoter & Promoter Group		
	Indian	10779392	73.08
	Foreign	–	–
B	Non-Promoter Holding		
	Institutional :		
	Central Government/ State Government/ President of India	12514	0.08
	Mutual Fund	–	–
	Non-Institutional :		
	Bodies Corporate	183620	1.24
	Individuals :		
	Capital upto Rs.2 Lacs	1010309	6.85
	Capital greater than Rs.2Lacs	2518204	17.07
	Any Others :		
	HUF	208821	1.42
	Clearing Member	2460	0.02
	NRIs	34680	0.24
	Total	14750000	100.00

g) Distribution of Shareholding as on 31.03.2020



Share Balance	Holders	% of Total	Total Shares	% of Total
Upto 1 - 5000	1435	75.33	1817470	1.23
5001 - 10000	188	9.87	1546870	1.05
10001 - 20000	100	5.25	1616530	1.10
20001 - 30000	41	2.15	1067360	0.72
30001 - 40000	25	1.31	885520	0.60
40001 - 50000	20	1.05	942650	0.64
50001 - 100000	36	1.89	2377150	1.61
100001 - 9999999999	60	3.15	137246450	93.05
TOTAL	1905	100.00	147500000	100.00

h) Registrar And Share Transfer Agent (RTA)

M/s. Bigshare Services Private Limited

A-802 Samudra Complex,

Near Klassic Gold Hotel, Off. C. G. Road, Ahmedabad-380009, Gujarat, INDIA

Phone No.: 079-40024135

Email: bssahd@bigshareonline.com

Website: www.bigshareonline.com

i) Investors Communication And Investors Complaints To Be Address To

For Share Transfers/Dematerialization or other queries relating to Shares:

M/s. Bigshare Services Private Limited

A-802 Samudra Complex,

Near Klassic Gold Hotel, Off. C G Road, Ahmedabad-380009, Gujarat

Ph. No.: 079-40024135

Email: bssahd@bigshareonline.com

Website: www.bigshareonline.com

For other inquiry write to Company:

Ms. Rachita Somani –Company Secretary and Compliance officer

Registered Office: 221 (Maliya), New Cloth Market, O/s. Raipur Gate, Ahmedabad- 380002, Gujarat, INDIA

Phone No.: 079- 22173181

E-mail: info@anjanisynthetics.com

E-mail: investor@anjanisynthetics.com

j) Share Transfer Systems



Applications for transfer of shares in physical form are processed by the Registrar and Share Transfer Agent of the Company. The Transfer Committee constituted for transfer/ transmission of shares, issue of duplicate shares, demat/ remat request and allied matters considers and approves the share transfer once in fortnight subject to transfer instrument being valid and complete in all respects.

The Company obtained Certificates from Company Secretary in Practice for Compliance of Share transfer formalities pursuant to Regulation 40(9) of The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 on half yearly basis. The Company also carried out quarterly Secretarial Audit for the reconciliation of Share Capital regularly.

k) Recommendation To Get The Shares Dematerialized

The trading in the Company's equity shares is compulsorily in dematerialized mode. The Company has tied up with National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL). Thus the investors can exercise dematerialization and transfer actions through a recognized Depository Participant (DP) who is connected to NSDL or CDSL. We strongly recommend all the members holding shares in physical form to promptly get their shares dematerialized.

l) Registration of Email-Id for Receipt of Notices of General Meetings, Annual Report, Etc. In E-Form

The Ministry of Corporate Affairs has taken 'Green Initiative in Corporate Governance' by allowing paperless compliances by the Company and has issued circulars allowing service of notices/ documents including Annual Report by email to its members. To support this green initiative of the Government in full measure, members who have not registered their email addresses so far, are requested to register the same in respect of electronic holdings with the Depository through their Depository Participants.

Members holding shares in physical form are requested to get their email addresses registered with the Company/ its Registrar & Share Transfer Agent

m) Outstanding GDRs/ADRs/Warrants/Options Or Any Convertible Instruments

The Company has no outstanding GDRs/ADRs/Warrants/Options or any convertible instruments as on 31st March 2020.

n) Proceeds From Public Issue/Rights Issue/Preferential Issue/Warrant Conversion

During the financial year, the Company has not raised any fund through Public Issue/ Rights Issue/Preferential Issue/Warrant Conversion

o) Code of Conduct for Prevention of Insider Trading

The Company has adopted the Code of Conduct for Regulating, Monitoring and Reporting of Trading by Insiders in accordance with the requirement of SEBI (Prohibition of Insider Trading) Regulations, 2015 and Companies Act, 2013.

p) Disclosure of Accounting Treatment in preparation of Financial Statement

Your Company has followed all relevant Accounting Standards laid down by the Institute of Chartered Accountants of India (ICAI) while preparing Financial Statements.



q) Unpaid / Unclaimed Dividends of the Interim Dividend for the FY 2007-08 has been transferred to IEPF Authority

In accordance with the provisions of Sections 124 and 125 of the Act and Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016 ('IEPF Rules') dividends not encashed / claimed within seven years from the date of declaration are to be transferred to the Investor Education and Protection Fund ('IEPF') Authority. The IEPF Rules mandate Companies to transfer shares of Members whose dividends remain unpaid / unclaimed for a continuous period of seven years to the demat account of IEPF Authority. The Members whose dividend / shares are transferred to the IEPF Authority can claim their shares / dividend from the Authority. In accordance with the said IEPF Rules and its amendments, the Company had sent notices to all the Shareholders whose shares were due to be transferred to the IEPF Authority and simultaneously published newspaper advertisement. In terms of the provisions of Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016, 12514 shares were transferred during the financial year 2019-20 to the IEPF. The Company has appointed a Nodal Officer under the provisions of IEPF, the details of which are available on the website of the Company at <http://www.anjanisynthetics.com>. The Company has uploaded the details of shareholders whose shares have been transferred to IEPF Authority on the website of the company.

9. OTHER DISCLOSURES

A. Related Party Transaction

All the transactions entered into with Related Parties as defined under Companies Act, 2013 and Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 during the financial year were in the Ordinary Course of business and on arm's length pricing basis and do not attract the provisions of Section 188 of the Companies Act, 2013. Prior approval of the Audit Committee is obtained for all Related Party Transactions. There were no materially significant transactions with related parties during the financial year which were in conflict with the interest of the Company. Related Party Transactions during the year have been disclosed at notes on financial statements as per the requirement of "Accounting Standards -18- Related Party Disclosure issued by ICAI.

The Board has approved a policy for related party transactions which has been uploaded on Company's website www.anjanisynthetics.com

B. Management Discussion and Analysis

The Management Discussion and Analysis Report have been given separately in this Annual Report as required under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015.

C. Details of non-compliance by the Company

Your Company has complied with all the requirement of regulatory authorities. No penalty/ strictures were imposed on the Company by Stock Exchange/s or SEBI or any statutory authority on any matter related to capital markets.

D. Vigil Mechanism

The Company has implemented a Whistle Blower Policy covering the employees. The Policy enables the employees to report to the management instances of unethical behavior, actual or suspected fraud or violation of the Company's code of Conduct. Employees can lodge their Complaints through anonymous e-mails besides usual means of communications like written complaints. No personnel have been denied access to the Audit Committee.

E. Policy on Material Subsidiaries

The Company is not having any subsidiary Company; however, the Company has formulated the Policy for determining 'Material Subsidiaries' which has been put up on the website of the Company.



F. Policy on Related Party Transactions

The Company has formulated the Policy on dealing with Related Party Transactions which has been put up on the website of the Company.

10. Non-Mandatory Requirements

- (a) **The Board:** Since the Company has an Executive Chairman on its Board, there is no requirement for maintaining separate office.
- (b) **Shareholder's Right:** Half yearly financial results including summary of the significant events are presently not being sent to shareholders of the Company. However quarterly financial results are published in the leading newspapers and are also available on the website of the Company.
- (c) **Audit Qualification:** There is no qualification in the Auditor's Report on the Financial Statements to the shareholders of the Company.
- (d) **Separate Post of Chairman and CEO:** Mr. Vasudev S. Agarwal, Chairman and Managing Director of the Company also act as CEO of the Company.
- (e) **Reporting of Internal Auditor:** The Company's Internal Auditor, reports directly to the Audit Committee.

**For and on behalf of the Board
For, ANJANI SYNTHETICS LIMITED**

Place: Ahmedabad

Date: 25th August, 2020

**VASUDEV S. AGARWAL
(DIN: 01491403)
CHAIRMAN & MD**



MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Your Directors have pleasure in presenting the management discussion and analysis report for the year ended on March 31, 2020.

1. INDUSTRY STRUCTURE, DEVELOPMENT

During the period under the review, the Company had been operating in Textile activities i.e. cloth processing. The textile sector has always been an important part of people's lives in India. The textile industry in India is one of the oldest manufacturing sectors in the country and is currently its largest. Textile machinery and accessories have been identified as core sectors under Make In India campaign there has not been any measures for this sector either today, 45% of textile machine accessories requirement is met by domestic producers & 55% through imports. The government has been pushing for indigenous production through 'Make in India' campaign to bring down imports.

India is the world's second-largest exporter of textiles and apparels, with a massive raw material and manufacturing base. The textile industry is a significant contributor to the economy, both in terms of its domestic share and exports. It contributes about seven per cent to industry output, two per cent to the GDP and 15 per cent to the country's total exports earnings. The Indian textiles industry is extremely varied, with the hand-spun and hand-woven textiles sectors at one end of the spectrum, while the capital intensive sophisticated mills sector at the other end of the spectrum. The decentralized power looms/ hosiery and knitting sector form the largest component of the textiles sector. The close linkage of the textile industry to agriculture (for raw materials such as cotton) and the ancient culture and traditions of the country in terms of textiles make the Indian textiles sector unique in comparison to the industries of other countries. The Indian textile industry has the capacity to produce a wide variety of products suitable to different market segments, both within India and across the world. Industry faces a non-level playing field in many markets due to tariff barriers, however industry needs to improve its productivity levels, economies of scale and organize itself better for large production at competitive prices.

2. REVIEW & FUTURE OUTLOOK OF THE COMPANY

The Company is continuously trying to accomplish the desired results. Steps have been taken for cost diminution and manufacturing quality products by various installed machineries of the Company. Various aspects of working conditions of workers, health related issues, minimizing risk of accidents at work place etc. are being taken care of by the Company. The Company will achieve more turnovers by various marketing strategies, offering more quality products, launching new products etc. in coming years followed by increase in profit margin by way of various cost cutting techniques and optimum utilization of various resources of the Company. The company has found export opportunities for the same line of textile products which they were doing Job work presently. Till yet company was involved in Job work but now with the view of export opportunities, company taken the lead towards the export in simultaneous with Job Work.

3. OPPORTUNITIES & THREATS

The Government is committed to encourage the healthy growth of Capital Market for development of the Economy. While the government seems committed to reforms to address the challenges, political compromises and high populist spending in an election year will mean that tough decisions are more likely to be deferred. However, steps by RBI to stabilize the exchange rate by reducing liquidity support to the banking system will create a challenging environment for investments.



4. SEGMENT-WISE PERFORMANCE:

The Company's main business activity is textile and its related activities which fall under single reportable segment i.e. 'Textiles'. The Company has majorly focused on quality, production and export.

5. OUTLOOK:

The Company continues to explore the possibilities of expansion and will make the necessary investments when attractive opportunities arise.

6. RISK & CONCERNS:

The Company is exposed to various risks that are particular to its business, interest rate volatility, economic cycle, market risk and credit risk. However, The Board of Directors have developed & implemented a robust risk management policy which identifies the key elements of risks that threatens the existence of the Company. The Audit Committee reviews the Company's financial and risk management policies and steps taken by the Company to mitigate such risks at regular intervals.

7. INTERNAL CONTROL SYSTEMS & THEIR ADEQUEACY:

The Company's operating and business control procedures ensure efficient use of resources and comply with the procedures and regulatory requirements. The internal control systems of the company have been commensurate with the size and nature of its business activities. The company keeps on strengthening the system based on its requirement in terms of changes in its financial and marketing policies. There are adequate internal controls to safeguard the assets and protect them against losses from unauthorized use or disposition and the transactions are authorized, recorded and reported correctly. The Audit Committee periodically reviews the internal controls systems and reports their observations to the Board of Directors.

The Directors have appointed M/s. Monika Bhandari & Co, Chartered Accountants as the Internal Auditors of the Company for the FY 2020-21.

8. DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE:

During the year, the Company has recorded a turnover of Rs. 32628.30 Lacs as compared to Rs. 30779.20 Lacs in the previous year. The Company has made net profit of Rs. 356.72 Lacs as compared to Rs. 300.10 Lacs of the previous year after providing depreciation, tax, etc. for the year ended 31st March, 2020.

9. HUMAN RESOURCE DEVELOPMENT:

The Company believes that the human resources are vital in giving the Company a Competitive edge in the current business environment. Human resources are the backbone and centre-stage in terms of company's philosophy. The company considers the manpower as a key variable in achieving its deliverables and ensures that safe and comfortable working conditions as well as motivating and conducive environment is always maintained to provide the essential platform for them to perform. Regarding environmental impact of its operations, the company is always vigilant and more than complies with all stipulated norms. As in the past, the Company has enjoyed cordial relations with the employees at all levels.

The Company continues to run an in-house training programme held at regular intervals and aimed at updating their knowledge about issues.

**10. CAUTIONERY STATEMENT:**

Statements in the Board's Report and the management discussion and analysis containing the objectives, expectations or predictions of the company may be forward-looking within the meaning of securities laws and regulations. Actual results may differ materially from those expressed in the statement. The operations of the Company could be influenced by various factors such as domestic and global demand and supply conditions affecting sales volumes and selling prices of finished goods, input availability and cost, government regulations, tax laws, economic developments within the country and other factors such as litigation and industrial relations.

11. DETAILS OF SIGNIFICANT CHANGES (I.E. CHANGE OF 25% OR MORE AS COMPARED TO THE IMMEDIATELY PREVIOUS FINANCIAL YEAR) IN KEY FINANCIAL RATIOS:

Debtors Turnover (in months)		Interest Coverage Ratio	
2019-20	4.02 months	2019-20	2.20
2018-19	3.26 months	2018-19	2.30
Current Ratio		Debt Equity Ratio	
2019-20	1.33	2019-20	0.06
2018-19	1.27	2018-19	0.06
Return on Net Worth			
2019-20	5.56%		
2018-19	4.94%		

For and on behalf of the Board
For, ANJANI SYNTHETICS LIMITED

Place: Ahmedabad

Date: 25th August, 2020

VASUDEV S. AGARWAL
(DIN: 01491403)
CHAIRMAN & MD



CERTIFICATION BY CEO AND CFO OF THE COMPANY

We, Vasudev S. Agarwal, Chairman & Managing Director and Mr. Manoharlal I. Sharma, Chief Financial Officer responsible for the finance function certify that:

- a) We have reviewed the financial statements and cash flow statement for the financial year ended 31st March, 2020 to the best of our knowledge and belief:
 - I. These statements do not contain any materially untrue statements or omit any material facts or contain statements that might be misleading.
 - II. These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b) To the best of our knowledge and belief, no transactions entered into by the Company during the financial year 2019-20, which are fraudulent, illegal or violate the Company's Code of Conduct.
- c) We accept responsibility for establishing and maintaining internal controls for financial reporting and have evaluated the effectiveness of the internal control systems of the Company for such reporting. We have disclosed to the Auditors and the Audit Committee, deficiencies, if any, in the design or operation of such internal controls, of which we are aware of and the steps taken and/or proposed to be taken to rectify these deficiencies.
- d)
 - i) Significant changes in internal control over financial reporting during the year.
 - ii) Significant change in accounting policies during the year requiring disclosure in the notes to the financial statements.
 - iii) We are not aware of any instance during the year of significant fraud with involvement therein of the management or any employee having a significant role in the Company's internal control system over financial reporting.

VASUDEV S. AGARWAL
(Chairman & Managing Director)

MANOHARLAL I. SHARMA
(Chief Financial Officer)

Place : Ahmedabad

Date : 25th August, 2020



AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To the Members of Anjani Synthetics Limited

We have examined the compliance of conditions of Corporate Governance by Anjani Synthetics Limited for the year ended 31st March, 2020 as per the relevant provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as referred to in Regulation 15(2) of the Listing Regulations for the period from 01.04.2019 to 31.03.2020.

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

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance for the year under the review as stipulated in the above mentioned Listing Agreement/ Listing Regulations, as applicable.

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

For, ABHISHEK KUMAR& ASSOCIATES

Chartered Accountants

FRN: 130052W

PLACE: AHMEDABAD

DATE: 24th July, 2020

UDIN: 20132305AAAADI7826

CA ABHISHEK AGARWAL

PROPRIETOR

(M. No.: 132305)

**PRACTICING COMPANY SECRETARY CERTIFICATE ON
NON DISQUALIFICATION OF DIRECTORS**

To,
The Members of
ANJANI SYNTHETICS LIMITED
221(Maliya), New Cloth Market, O/s Raipur Gate
Ahmedabad-380002,
Gujarat, INDIA

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **ANJANI SYNTHETICS LIMITED** having **CIN:L11711GJ1984PLC007048** and having registered office at 221 (Maliya), New Cloth Market, O/s Raipur Gate, Ahmedabad-380002 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2020 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of appointment in Company*
1.	VASUDEV SUBHKARAN AGARWAL	01491403	03/06/2005
2.	BHOORSINGH BAGSINGH PARIHAR	01612692	12/10/2018
3.	GARIMA JAIN	08456031	15/06/2019
4.	GOPAL SANWARMAL PANSARI	08226713	12/10/2018
5.	SOURABH VIJAY PATAWARI	08364509	28/02/2019

*the date of appointment is as per MCA portal.

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

For, **MUKESH H. SHAH & CO.**
Company Secretary

Place : Ahmedabad
Date : 20.08.2020

UDIN NO: F005827B000597726

MUKESH H. SHAH
PROPRIETOR
CP. NO. 2213
FCS NO. : 5827



Independent Auditors' Report

To the members of

M/S. ANJANI SYNTHETICS LIMITED

Report on the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **M/S. ANJANI SYNTHETICS LTD.** ("the Company"), which comprises the Balance Sheet as at March 31, 2020, the Statement of Profit and Loss (including Other Comprehensive Income), the statement of Changes in Equity and Cash Flow Statement for the year ended on that date, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the statement:

- I. is presented in accordance with the requirements of the listing Regulations in this regard; and
- II. gives a true and fair view in conformity with the applicable accounting standards and other accounting principles generally accepted in India, of the net profit and other comprehensive loss and other financial information of the Company for the quarter ended 31st March, 2020 and for the year ended March 31, 2020.

Basis for Opinion

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

Key Audit Matters

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

Emphasis of Matter

We draw attention to notes to the financial results which describes the uncertainties and the impact of Covid-19 pandemic on the Company's operations and results as assessed by the management. Our opinion is not modified in respect of this matter.

Responsibility of Management for Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with



the provisions of 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 judgements and estimates that are responsible 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 is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Standalone Financial Statement

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.

A further description of the auditor's responsibilities for the audit of the financial statements is included in Annexure A. This description forms part of our auditor's report.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, We give in the Annexure B, statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by section 143(3) of the Act, We report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - c) The balance sheet, the statement of profit and loss including Other Comprehensive Income, statement of changes in equity and the cash flow Statement dealt with by this Report are in agreement with the books of account;
 - d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the companies (Accounts) Rules, 2014;
 - e) On the basis of written representations received from the directors as on March 31, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164 (2) of the Act; and



- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure C". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i) The Company does not have any pending litigations for which provision have not been made which would impact its financial position.
 - ii) The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any.
 - iii) The Provisions of transfer of funds to Investor Education and Protection Fund not applicable to the Company.

**As per our Report of Even Date
For and on Behalf of
For, Abhishek Kumar & Associates
Chartered Accountants
Firm Regn. No. 130052W**

Place : Ahmedabad

Date : 24/07/2020

**(CA. Abhishek Agarwal)
Proprietor
M. No. 132305**



Annexure “A” to the Independent Auditor’s Report Responsibilities for Audit of Financial Statement

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

- ⌘ Identify and assess the risks of material misstatement of the Statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- ⌘ Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- ⌘ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- ⌘ Conclude on the appropriateness of the Board of Directors’ 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 results 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 Statement, including the disclosures, and whether the Statement represents 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.

**As per our Report of Even Date
For and on Behalf of
For, Abhishek Kumar & Associates
Chartered Accountants
Firm Regn. No. 130052W**

Place : Ahmedabad

Date : 24/07/2020

**(CA. Abhishek Agarwal)
Proprietor
M. No. 132305**



Annexure “B” to the Independent Auditor’s Report

The Annexure referred to in our Independent Auditor’s Report to the members of the Company on the financial statements for the year ended 31 March 2020, We report that;

- (i) In respect of Fixed Assets:
 - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - (b) As per the information and explanations given to us, all the assets have not been physically verified by the management during the year but there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the company and the nature of its assets. No material discrepancies were noticed on such verification.
 - (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- (ii) In respect of Inventory:
 - (a) As explained to us, inventories have been physically verified during the year by the management at reasonable intervals. In our opinion, the frequency of verification is reasonable. As informed to us there were no material discrepancies noticed on verification between the physical stocks and the book records and any discrepancies found has been properly dealt within the books of accounts.
- (iii) In respect of the loans, secured or unsecured, granted by the company to companies, firms or other parties covered in the register maintained u/s. 189 of the Companies Act, 2013:
 - (a) During the year under audit, the Company has not granted any loans, secured or unsecured, to the companies, firms and other parties covered in the register maintained under section 189 of the Companies Act, 2013 hence clause 3 (iii) (a), (iii) (b) and (iii) (c) of the Companies (Auditor’s Report) Order, 2019 are not applicable.
- iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans and investments made.
- v) According to the information and explanation given to us, the company has not accepted any deposit from the public during the year. Therefore the provisions of clause (v) of paragraph 3 of the order are not applicable to the company.
- vi) The central government has prescribed maintenance of cost records under section 148(1)(d) of the companies act 2013 in respect of certain manufacturing activities of the company. Company has obtained cost audit report for the financial year 2018-19 during the year. We have broadly reviewed the accounts and records of the company in this connection and am of the opinion, that prima facie, the prescribed accounts and records have been made and maintained. We have not, however carried out detailed examination of the same.
- vii)
 - (a) The company is generally regular in depositing the undisputed statutory dues including Provident Fund, Employees State Insurance, Income Tax, Wealth Tax, Sales Tax, Goods & Service Tax, Custom Duty, Excise Duty, Service Tax, Value Added Tax, Cess and any other statutory dues with the appropriate authorities. According to the information and explanations given to us no undisputed amounts payable



in respect of afore mentioned dues were outstanding as at 31st March 2020 for a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us there are no material dues of Income Tax, Wealth Tax, Sales Tax, Goods and Service Tax, Custom Duty, Excise Duty, Service Tax, Value Added Tax, Cess and any other statutory dues which have not been deposited with the appropriate authorities on account of any dispute.
- (viii) In our opinion and according to the information and explanations given to us the company has not defaulted in repayment of dues to financial institutions or banks. As there are no debentures, the question of repayment does not arise.
- (ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and in our opinion and according to the information and explanations given to us the Term loans have been applied for the purpose for which they were obtained.
- (x) According to the information and explanation given to us no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- (xi) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- (xii) In our opinion and according to the information and explanations given to us the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, 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 accounting standards.
- (xiv) 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 preferential allotment/private placement of shares during the year.
- (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) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

**As per our Report of Even Date
For and on Behalf of
For, Abhishek Kumar & Associates
Chartered Accountants
Firm Regn. No. 130052W**

Place : Ahmedabad

Date : 24/07/2020

**(CA. Abhishek Agarwal)
Proprietor
M. No. 132305**



Annexure “C” to the Auditors’ Report

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

I have audited the internal financial controls over financial reporting of **M/S. ANJANI SYNTHETICS LIMITED** (“the Company”), as of 31 March, 2020, in conjunction with our audit of the standalone financial statements of the Company for the year ended that date.

Management’s Responsibility for Internal Financial Controls

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal controls over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (‘ICAI’). These responsibility 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 the 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.

Auditor’s Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We have conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the ‘Guidance Note’) and the Standards of Accounting, issued by ICAI and deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls, 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 were 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 or internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

I 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 the Management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2020, 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.

**As per our Report of Even Date
For and on Behalf of
For, Abhishek Kumar & Associates
Chartered Accountants
Firm Regn. No. 130052W**

Place : Ahmedabad

Date : 24/07/2020

**(CA. Abhishek Agarwal)
Proprietor
M. No. 132305**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31stMARCH, 2020****1. General Information**

Anjani Synthetics Limited (“the Company”) incorporated in 1984 in India. The principal activities of the Company is to be in the business of textile. The Company has manufacturing facilities in India.

2. Significant Accounting policies**I. Statement of compliance**

The Standalone Ind AS financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) read with Companies (Indian Accounting Standards) Rules, 2015 and relevant provisions of the Act (as amended from time to time). These financial statements have been prepared on accrual basis of accounting using historical cost convention except certain financial instruments measured at fair value.

These Standalone Ind AS financial statements are presented in Indian Rupees (Rs.), which is also the Company’s functional currency.

II. Basis of preparation and presentation

The financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes in to account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

In addition, for financial reporting purposes, fair value measurements are categorized into Level 1,2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurements in its entirety, which are described as follows:

- ⌘ Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- ⌘ Level 2 inputs are inputs other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- ⌘ Level 3 inputs are unobservable inputs for the asset or liability.

III. Revenue recognition

Revenue from sale of goods and services is recognized when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled



in exchange for those goods. The Company assesses promises in the contract that are separate performance obligations to which a portion of transaction price is allocated.

Revenue is measured based on the transaction price as specified in the contract with the customer. It excludes discounts, incentives, volume rebates, goods & services tax and amounts collected on behalf of third parties. In determining the transaction price, the Company considers below, if any:

Variable consideration:

This includes discounts, incentives, volume rebates, etc. It is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognized will not occur when the associated uncertainty with the variable consideration is subsequently resolved. It is reassessed at end of each reporting period.

Significant financing component:

Generally, the Company receives short-term advances from its customers. Using the practical expedient in Ind AS 115, the Company does not adjust the promised amount of consideration for the effects of a significant financing component if it expects, at contract inception, that the period between the transfer of the promised good to the customer and when the customer pays for that good or service will be one year or less.

Consideration payable to a customer:

Such amounts are accounted as reduction of transaction price and therefore, of revenue unless the payment to the customer is in exchange for a distinct good that the customer transfers to the Company. Further, in accordance with Ind AS 37, the Company recognizes a provision for onerous contract when the unavoidable costs of meeting the obligations under a contract exceed the economic benefits to be received.

Contract balances:

Trade receivables: A receivable represents the Company's right to an amount of consideration that is unconditional i.e. only the passage of time is required before payment of consideration is due.

Contract liabilities: A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. Contract liabilities are recognized as revenue when the Company performs under the contract.

Sale of services

Income from service rendered is recognized on accrual basis based on the terms of agreements and when services are rendered.

Dividend and interest income

Dividend income from investments is recognized when the shareholder's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably).

Interest income from a financial asset is recognized when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued, by reference



to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

IV. Leasing

Ind AS 116 'Leases' (Effective for annual periods beginning on or after 1 April 2019):

On 30th March 2019, the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) Amendment Rules, 2019, notifying Ind AS 116 "Leases", which replaces Ind AS 17 "Leases". The new standard introduces a single on-balance sheet lease accounting model for lessee. This will result in the company recognising right of use assets & lease liability in the books. The Company is in the process of analyzing the impact of Ind AS 116 on its financials. The amendment will come into force from April 01, 2019.

Practical expedient is given in Ind AS 116 for Lease identification under which an entity is not required to reassess whether a contract is, or contains, a lease at the date of initial application. Instead, the entity is permitted:

- ⌘ to apply this Standard to contracts that were previously identified as leases applying Ind AS 17, Leases.
- ⌘ not to apply this Standard to contracts that were not previously identified as containing a lease applying Ind AS 17.

Thus Company has elected not to reassess and not to apply this Standard to contracts that were not previously identified as containing a lease applying Ind AS 17

Further Company in not having any lease Contract during the year and the same is not applicable.

V. Foreign currency translations

The functional currency of the Company has been determined on the basis of the primary economic environment in which it operates. The functional currency of the Company is INR.

In preparing the financial statements of the Company, transactions in currencies other than the Company's functional currency (foreign currencies) are recognized at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences on monetary items are recognized in Statement of Profit and Loss in the period in which they arise except for:

- ⌘ exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings;
- ⌘ exchange differences on monetary items receivable from or payable to a foreign operation for which



settlement is neither planned nor likely to occur (therefore forming part of the net investment in the foreign operation), which are recognized initially in other comprehensive income and reclassified from equity to Statement of Profit and Loss on repayment of the monetary items.

However Company is not having any Foreign Currency transaction during the year.

VI. Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognized in the Statement of Profit and Loss in the period in which they are incurred.

VII. Employee Benefits

A liability is recognized for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognized in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Post employment and other long term employee benefits are recognized as an expense in the profit & loss account for the year in which the liabilities are crystallized

VIII. Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961 and other applicable tax laws.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognized as an asset in the Balance Sheet when it is highly probable that future economic benefit associated with it will flow to the Company.

The Company has elected to exercise the option permitted under Section 115BAA of the Income-tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019. Accordingly, the Company has not recognized provision for income tax for year ended 31st March, 2020.

As the Company has elected the option to pay tax under section 115BAA of the Income-tax Act, Carried Forward MAT credit if any will not be available as per specified section above. The provision of Income Tax has been made as per new reduced Tax Rates.



Deferred tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognized if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognized if the temporary difference arises from the initial recognition of goodwill.

Deferred tax liabilities are recognized for taxable temporary differences associated with investments in subsidiaries, except where the Company is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognized to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

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

For the purposes of measuring deferred tax liabilities and deferred tax assets on non-depreciable assets the carrying amounts of such properties are presumed to be recovered entirely through sale.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Current and deferred tax for the year

Current and deferred tax are recognized in profit or loss, except when they are relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity respectively.

IX. Property, plant and equipment

The cost of property, plant and equipment comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities),



any directly attributable expenditure on making the asset ready for its intended use, including relevant borrowing costs for qualifying assets and any expected costs of decommissioning. Expenditure incurred after the property, plant and equipment have been put into operation, such as repairs and maintenance, are charged to the Statement of Profit and Loss in the period in which the costs are incurred. Major shut-down and overhaul expenditure is capitalised as the activities undertaken improves the economic benefits expected to arise from the asset.

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 the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in Statement of Profit and Loss.

Assets in the course of construction are capitalised in the assets under construction account. At the point when an asset is operating at management's intended use, the cost of construction is transferred to the appropriate category of property, plant and equipment and depreciation commences. Costs associated with the commissioning of an asset and any obligatory decommissioning costs are capitalised where the asset is available for use but incapable of operating at normal levels until a period of commissioning has been completed. Revenue generated from production during the trial period is capitalised.

Property, plant and equipment are stated in the balance sheet at cost less accumulated depreciation and accumulated impairment losses, if any. Property, plant and equipment retired from active use are stated at the lower of their net book value and net realisable value and are disclosed separately. Freehold land is not depreciated.

X. Depreciation and amortisation

All fixed assets, except capital work in progress, are depreciated on a written down value method. Depreciation is provided based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013. Depreciation on additions to / deletions from fixed assets made during the period is provided on pro-rata basis from / up to the date of such addition / deletion as the case may be. Useful life is as under:

Class of assets	Years
Building	30 Years
Computer	3 Years
Furniture & Fixtures	10 Years
Plant & Machinery	15 Years
Vehicles	8 Years
Intangibles – Megha Pipe Line	15 years

The Company reviews the residual value, useful lives and depreciation method annually and, if expectations differ from previous estimates, the change is accounted for as a change in accounting estimate on a prospective basis.



XI. Intangible assets

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognized on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

Derecognition of intangible assets

An intangible asset is derecognized on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset are recognized in the Statement of Profit and Loss when the asset is derecognized.

XII. Impairment of assets

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. Where a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognized immediately in the Statement of Profit and Loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in the Statement of Profit and Loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

XIII. Inventories

Inventories are measured at lower of cost and net realizable value. Cost of raw materials, stores & spares



parts are ascertained on FIFO basis. Cost of finished goods and process stock is ascertained on full absorption cost basis. Cost of inventories comprises of cost of purchase, cost of conversion and other costs incurred in bringing in them to their present location & condition.

XIV. Provisions

Provisions are recognized when the Company has a present obligation (legal or constructive), as a result of past events, and it is probable that an outflow of resources, that can be reliably estimated, will be required to settle such an obligation.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the balance sheet date, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

XV. Financial Instruments

Financial assets and financial liabilities are recognized when a Company entity becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through Statement of Profit and Loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through Profit and Loss are recognized immediately in Statement of Profit and Loss.

A. Financial assets

a) Recognition and initial measurement

- i) The Company initially recognizes loans and advances, deposits, debt securities issues and subordinated liabilities on the date on which they originate. All other financial instruments (including regular way purchases and sales of financial assets) are recognized on the trade date, which is the date on which the Company a party to the contractual provisions of the instrument. A financial asset or liability is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue.

b) Classification

On initial recognition, a financial asset is classified as measured at; amortized cost, FVOCI or FVTPL.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated 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 the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

This category is the most relevant to the Company. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognized in the profit or loss. This category generally applies to trade and other receivables. For more information on receivables, refer to Note 9. A debt instrument is classified as FVOCI only if it meets both the of the following conditions and is not recognized 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

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the P&L. On derecognition of the asset, cumulative gain or loss previously recognized in OCI is reclassified from the equity to P&L. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognized by an acquirer in a business combination to which Ind AS103 applies are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

All other financial assets are classified as measured at FVTPL.

In addition, on initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces the accounting mismatch that would otherwise arise.



c) Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a similar financial assets) is primarily derecognized (i.e. removed from the Company's balance sheet) when:

The rights to receive cash flows from the asset have expired, or

(b) The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement~ and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

d) Impairment

Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance
- b) Financial assets that are debt instruments and are measured as at FVTOCI
- c) Lease receivables under Ind AS 17
- d) Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 11 and Ind AS 18 (referred to as 'contractual revenue receivables' in these illustrative financial statements)
- e) Loan commitments which are not measured as at FVTPL
- f) Financial guarantee contracts which are not measured as at FVTPL

The Company follows 'simplified approach' for recognition of impairment loss allowance on:

- I) Trade receivables or contract revenue receivables; and
- II) All lease receivables resulting from transactions within the scope of Ind AS 17



The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL. Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider:

- i) All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument
- ii) Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss (P&L). This amount is reflected under the head 'other expenses' in the P&L. The balance sheet presentation for various financial instruments is described below:

- i) Financial assets measured as at amortised cost, contractual revenue receivables and lease receivables: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.
- ii) Loan commitments and financial guarantee contracts: ECL is presented as a provision in the balance sheet, i.e. as a liability.
- iii) Debt instruments measured at FVTOCI: Since financial assets are already reflected at fair value, impairment allowance is not further reduced from its value. Rather, ECL amount is presented as 'accumulated impairment amount' in the OCI.

For assessing increase in credit risk and impairment loss, the Company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

The Company does not have any purchased or originated credit-impaired (POCI) financial assets, i.e., financial assets which are credit impaired on purchase/ origination.



e) Effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Income is recognized on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL.

B. Financial liabilities and equity instruments

a) Classification as debt or equity

Debt and equity instruments issued by a Company entity are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

b) Equity instruments

c) Financial liabilities

Financial liabilities are classified as either financial liabilities 'at FVTPL' or 'other financial liabilities'.

Financial liabilities at FVTPL:

Financial liabilities are classified as at FVTPL when the financial liability is either held for trading or it is designated as at FVTPL.

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognized in Statement of Profit and Loss. The net gain or loss recognized in Statement of Profit and Loss incorporates any interest paid on the financial liability and is included in the 'other gains and losses' line item in the [Statement of comprehensive income/Statement of Profit and Loss].

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or they expire. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognized in Statement of Profit and Loss.

d) Reclassification of financial assets

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next



reporting period following the change in business model. The Company does not restate any previously recognized gains, losses (including impairment gains or losses) or interest. The following table shows various reclassification and how they are accounted for:

Original classification	Revised classification	Accounting treatment
Amortised cost	FVTPL	Fair value is measured at reclassification date. Difference between previous amortised cost and fair value is recognized in P&L.
FVTPL	Amortised Cost	Fair value at reclassification date becomes its new gross carrying amount. EIR is calculated based on the new gross carrying amount.
Amortised cost	FVTOCI	Fair value is measured at reclassification date. Difference between previous amortised cost and fair value is recognized in OCI. No change in EIR due to reclassification.
FVTOCI	Amortised cost	Fair value at reclassification date becomes its new amortised cost carrying amount. However, cumulative gain or loss in OCI is adjusted against fair value. Consequently, the asset is measured as if it had always been measured at amortised cost.
FVTPL	FVTOCI	Fair value at reclassification date becomes its new carrying amount. No other adjustment is required.
FVTOCI	FVTPL	Assets continue to be measured at fair value. Cumulative gain or loss previously recognized in OCI is reclassified to P&L at the reclassification date.

XVI. Cash and cash equivalents

Cash and cash equivalents includes cash in hand, deposits held at call with banks, other short term highly liquid investments with original maturities of three months or less, and bank overdrafts.

XVII. Earnings per share

Basic earnings per share is computed by dividing net income by the weighted average number of common shares outstanding. Diluted earnings per share is computed by dividing income available to shareholders and assumed conversion by the weighted average number of common shares.

Critical Judgements in applying accounting policies and key sources of estimation uncertainty The preparation and presentation of financial statements requires management to make certain judgments, estimates and assumptions that affect the amounts reported in the financial statements and notes thereto.

Such estimates and assumptions are based on management's evaluation of relevant facts and circumstances as on the date of financial statements. The actual outcome may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to the accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected. Information about significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements are as below:



- ⌘ Useful lives of property, plant and equipment and intangible assets.
- ⌘ Measurement of Defined Benefit Obligations.
- ⌘ Provisions and contingencies.
- ⌘ Expected credit loss for receivables.
- ⌘ Impairment testing of intangible assets and goodwill.
- ⌘ Fair value measurement and valuation techniques. Current tax and Deferred tax asset / liabilities recognition and evaluation of recoverability of deferred tax assets.
- ⌘ Fair valuation of Investments.

Explanations for Material Ind-AS Adjustments:

A Measurement Adjustments:

1 Change in fair value of non-current investments classified through FVTOCI

“Under previous GAAP, the long-term investments were measured at cost less permanent diminution in value, if any. Ind AS requires all investments to be measured at fair value at the reporting date and all changes in the fair value subsequent to the transition date to be recognised either in the Statement of profit and loss or Other Comprehensive Income based on the category in which they are classified. Details of such classification are stated as under:

1. Investment in Associates: Amortised Cost (availing exemption given under Ind-AS 101 as stated above),
2. Investment in Other Entities: Fair Value through Other Comprehensive Income.

Accordingly, at each reporting date, the company has adjusted change in fair value of investments in other entities in “Other Comprehensive Income”. The impact of tax on the same is also adjusted to “Other Comprehensive Income” only.”

2 Provision of Expected Credit Loss and impairment loss on trade receivable

“Under previous GAAP, provisions were made for specific receivables if collection was doubtful. Under Ind AS 109, the Company has applied expected credit loss model for recognizing impairment of financial assets. Under expected credit loss model, the company has adopted simplified approach (provision is made on the basis of provision matrix).

The company has recognised the amount of expected credit losses (or reversal) in statement of profit or loss, that is required to adjust the closing balances of loss allowance at the reporting date.”

**In terms of our report attached
For, Abhishek Kumar & Associate
Chartered Accountants
Firm Regn. No. 130052W**

Place : Ahmedabad

Date : 24/07/2020

**(CA Abhishek Kumar Agarwal)
Proprietor**

UDIN: 20132305AAAADI7826

M.No. 132305



Standalone Balance Sheet as at March 31, 2020

(Amount in INR)

Particulars	Notes	As at March 31,2020	As at March 31,2019
ASSETS			
Non-current assets			
Property, Plant and Equipment	4	193,885,389	219,740,466
Capital work-in-progress		–	4,519,696
Other intangible assets	5A	22,181,045	27,083,066
Financial assets			
(i) Investments	6	46,254,750	39,941,000
(ii) Loans	7	9,746,500	84,978
Total non-current assets		272,067,684	291,369,206
Current assets			
Inventories	8	460,256,266	679,320,441
Financial assets			
(i) Trade receivables	9	1,088,941,078	834,773,451
(ii) Cash and cash equivalents	10	1,122,018	12,703,973
Other current assets	11	166,403,001	189,673,150
Current tax assets (Net of Advance Tax and TDS)		–	–
Total current assets		1,716,722,363	1,716,471,015
TOTAL ASSETS		1,988,790,047	2,007,840,221
EQUITY AND LIABILITIES			
Equity			
Equity share capital	12	147,500,000	147,500,000
Other equity	13	514,987,766	474,590,661
Total equity		662,487,766	622,090,661
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	14	37,905,941	34,330,039
Deferred tax liabilities (net)	15	2,306,753	2,284,405
Total non-current liabilities		40,212,694	36,614,444
Current liabilities			
Financial liabilities			
(i) Borrowings	16	496,939,456	623,508,014
(ii) Trade payables	17		
Total outstanding dues of MSME		538,403,851	–
Total outstanding dues of other than MSME		143,737,966	601,405,924
(iii) Other financial liabilities	18	2,612,224	28,084,860
Other current liabilities	19	95,458,515	84,937,298
Provisions	20	6,021,060	10,495,457
Current tax liabilities (Net of Advance tax and TDS)	21	2,916,514	703,563
Total current liabilities		1,286,089,587	1,349,135,116
Total liabilities		1,326,302,281	1,385,749,560
TOTAL EQUITY AND LIABILITIES		1,988,790,047	2,007,840,221

See accompanying Notes 1 to 39 forming part of financial statements

In terms of our report attached
For Abhishek Kumar & Associates
Chartered Accountants
Firm Regn. No. 130052W

(CA. Abhishek Kumar Agarwal)
Proprietor
M. No. 132305

UDIN: 20132305AAAADI7826

Place : Ahmedabad
Dated : 24-07-2020

For and on behalf of the Board of Directors
Anjani Synthetics Limited

Vasudev S. Agarwal
(Managing Director)
(DIN-01491403)

Manoharlal Sharma
(Chief Financial Officer)

Place : Ahmedabad
Dated : 24-07-2020

Bhoor Singh B. Parihar
(Director)
(DIN-01612692)

Rachita Somani
(Company Secretary)

**Standalone Statement of Profit and Loss for the year ended March 31, 2020**

(Amount in INR)

Particulars	Notes	For the year ended	
		March 31, 2020	March 31, 2019
I Revenue from operations	22	3,251,709,063	3,069,452,701
II Other income	23	11,120,897	8,466,795
III Total Income (I + II)		3,262,829,960	3,077,919,496
Expenses:			
Cost of materials consumed	24	1,984,670,583	1,985,951,913
Changes in inventories of finished goods and work-in- progress	25	202,410,620	(44,450,374)
Employee benefits expense	26	90,440,707	97,811,186
Finance costs	27	76,618,899	76,021,719
Depreciation and amortisation expense	5B	44,535,317	53,602,502
Other expenses	28	816,361,446	863,515,961
IV Total expenses		3,215,037,572	3,032,452,907
V Profit before tax (III-IV)		47,792,388	45,466,589
VI Tax expense:	37		
a) Current tax		13,729,624	16,187,885
b) Short/(excess) provision for tax of earlier years		(42,939)	34,927
c) Deferred tax (credit)/charge		(1,566,697)	(766,760)
		12,119,988	15,456,052
VII Profit after tax (V-VI)		35,672,400	30,010,537
Other Comprehensive Income			
A (i) Items that will not be reclassified to profit or loss		6,313,750	–
Equity instruments through other Comprehensive Income			
(ii) Income tax relating to items that will not be reclassified to profit or loss		(1,589,045)	–
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		–	–
VIII Total Other Comprehensive Income (A+B)		4,724,705	–
IX Total Comprehensive Income for the year (VII+VIII)		40,397,105	30,010,537
X Earnings per equity share			
Basic and Diluted (in Rs) (Face Value of Rs. 10/- each)	29	2.42	2.03

See accompanying Notes 1 to 39 forming part of financial statements

In terms of our report attached
For Abhishek Kumar & Associates
Chartered Accountants
Firm Regn. No. 130052W

(CA. Abhishek Kumar Agarwal)
Proprietor
M. No. 132305

UDIN: 20132305AAAADI7826

Place : Ahmedabad
Dated : 24-07-2020

For and on behalf of the Board of Directors
Anjani Synthetics Limited

Vasudev S. Agarwal
(Managing Director)
(DIN-01491403)

Manoharlal Sharma
(Chief Financial Officer)

Place : Ahmedabad
Dated : 24-07-2020

Bhoor Singh B. Parihar
(Director)
(DIN-01612692)

Rachita Somani
(Company Secretary)

Standalone Statement of changes in equity for the year ended March 31, 2020**A. Equity Share Capital**

(Amount in INR)

Particular	Total
Balance as at April 1, 2018	147,500,000
Changes in Equity Share Capital during the year 2018-19	–
Balance as at March 31, 2019	147,500,000
Changes in Equity Share Capital during the year 2019-20	–
Balance as at March 31, 2020	147,500,000

B. Other Equity

(Amount in INR)

Particulars	Reserves and Surplus				Item of Other Comprehensive income Remeasurement of net defined benefit plans	Total
	Securities premium reserve	Capital Reserve	General Reserve	Retained earnings		
Balance as at April 1, 2018	63,184,000	9,119,000	–	372,277,124	–	444,580,124
Profit for the year	–	–	–	30,010,537	–	30,010,537
Other comprehensive income for the year, net of income tax	–	–	–	–	–	–
Total comprehensive income for the year	–	–	–	30,010,537	–	30,010,537
Addition during the year	–	–	–	–	–	–
Balance as at March 31, 2019	63,184,000	9,119,000	–	402,287,661	–	474,590,661
Profit for the year	–	–	–	35,672,400	–	35,672,400
Other comprehensive income for the year, net of income tax	–	–	–	–	4,724,705	4,724,705
Total comprehensive income/ (loss) for the year	–	–	–	35,672,400	4,724,705	40,397,105
Addition during the year	–	–	–	–	–	–
Balance as at March 31, 2020	63,184,000	9,119,000	–	437,960,061	4,724,705	514,987,766

In terms of our report attached
For Abhishek Kumar & Associates
 Chartered Accountants
 Firm Regn. No. 130052W

(CA. Abhishek Kumar Agarwal)
 Proprietor
 M. No. 132305

UDIN: 20132305AAAADI7826

Place : Ahmedabad
 Dated : 24-07-2020

For and on behalf of the Board of Directors
Anjani Synthetics Limited

Vasudev S. Agarwal
 (Managing Director)
 (DIN-01491403)

Manoharlal Sharma
 (Chief Financial Officer)

Place : Ahmedabad
 Dated : 24-07-2020

Bhoor Singh B. Parihar
 (Director)
 (DIN-01612692)

Rachita Somani
 (Company Secretary)



Notes forming part of the standalone financial statements

4 Property, plant and equipment

Particulars	(Amount in INR)						Total
	Building	Computer	Furniture & Fixture	Plant and machinery	Vehicles		
Cost or deemed cost							
Balance as at April 1, 2018	131,698,275	7,009,796	18,710,694	412,810,669	28,215,725		598,445,159
Additions	-	216,384	557,431	44,746,805	56,515		45,577,135
Disposals	-	-	-	25,924,918	53,431		25,978,349
Subsidy	-	-	-	1,313,250	-		1,313,250
Balance as at March 31, 2019	131,698,275	7,226,180	19,268,125	430,319,306	28,218,809		616,730,695
Additions	-	335,706	436,961	12,652,009	511,535		13,936,210
Disposals	-	-	-	-	828,875		828,875
Subsidy	-	-	-	-	-		-
Balance as at March 31, 2020	131,698,275	7,561,886	19,705,086	442,971,315	27,901,469		629,838,030
Accumulated depreciation and impairment							
Balance as at April 1, 2018	74,343,847	6,495,376	16,922,746	258,843,595	14,193,480		370,799,044
Depreciation charge for the year	5,501,444	315,040	518,661	36,924,003	4,357,985		47,617,133
Disposals	-	-	-	21,375,189	50,759		21,425,948
Balance as at March 31, 2019	79,845,291	6,810,416	17,441,407	274,392,409	18,500,706		396,990,229
Depreciation charge for the year	4,951,720	251,273	395,369	30,981,896	3,053,039		39,633,296
Disposals	-	-	-	-	670,884		670,884
Balance as at March 31, 2020	84,797,011	7,061,689	17,836,776	305,374,305	20,882,861		435,952,641
Net carrying value							
At April 1, 2018	57,354,428	514,420	1,787,948	153,967,074	14,022,245		227,646,115
At March 31, 2019	51,852,984	415,764	1,826,718	155,926,897	9,718,103		219,740,466
At March 31, 2020	46,901,264	500,197	1,868,310	137,597,010	7,018,608		193,885,389



5A Other intangible assets

(Amount in INR)

Particulars	Megha Pipe Line	Total
Cost or deemed cost		
Balance as at April 01, 2018	41,622,856	41,622,856
Additions	—	—
Balance as at March 31, 2019	41,622,856	41,622,856
Additions	—	—
Balance as at March 31, 2020	41,622,856	41,622,856
Accumulated amortisation and impairment		
Balance as at April 1, 2018	8,554,421	8,554,421
Amortisation expense	5,985,369	5,985,369
Balance as at March 31 2019	14,539,790	14,539,790
Amortisation expense	4,902,021	4,902,021
Balance as at March 31 2020	19,441,811	19,441,811
<u>Net carrying value</u>		
As at April 1, 2018	33,068,435	33,068,435
As at March 31, 2019	27,083,066	27,083,066
As at March 31, 2020	22,181,045	22,181,045

5B Depreciation and amortisation expense

(Amount in INR)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Depreciation and amortisation for the year ended on property, plant and equipment as per Note 4	39,633,296	47,617,133
Depreciation and amortisation for the year ended on Other intangible assets as per Note 5A	4,902,021	5,985,369
Total	44,535,317	53,602,502



6 Investments

Particulars	As at March 31, 2020	As at March 31, 2019
<u>Investments in equity instruments</u>		
Investments in Equities at fair value through Other Comprehensive Income:		
131250 (Prev. year 131250) Equity Shares of Rs. 10/- each Virat Spinners Pvt.Ltd.	3,346,456	12,500,000
60000 (Prev. year 60000) Equity Shares of Rs. 10/- each Parth International Pvt.Ltd.	7,203,685	1,491,000
115000 (Prev. year 115000) Equity Shares of Rs. 10/-each Mukund Fashion Pvt.Ltd.	8,451,698	1,150,000
400000 (Prev. year 400000) Equity Shares of Rs. 10/-each Virat Weaving Pvt.Ltd.	27,252,911	24,800,000
	46,254,750	39,941,000
Aggregate carrying value of unquoted investments	46,254,750	39,941,000
Aggregate amount of impairment in value of investments	–	–

Investment in equity has been fairvalued through OCI during the year and accordingly impact of tax on the same is also adjusted to "Other Comprehensive Income" only. Last year Investment were measured at cost as per GAAP as no information was available with management for fair valuation.

7 Loans (unsecured, considered good)

Particulars	As at March 31, 2020	As at March 31, 2019
Security Deposits	9,746,500	84,978
Total	9,746,500	84,978

8 Inventories (At lower of cost and net realisable value)

Particulars	As at March 31, 2020	As at March 31, 2019
Raw Material Grey Cloth	138,562,413	148,548,602
Work in Progress Own	111,628,000	97,248,421
Work in Progress Job	4,856,548	7,984,380
Finished Goods	189,391,257	401,291,137
Colour Chemicals	10,492,154	10,451,864
Yarn	–	1,762,487
Packing Materials	854,661	1,983,472
Stores & Spares	3,842,782	8,581,254
Coal & Fire Wood	628,452	1,468,824
Total	460,256,266	679,320,441



9 Trade receivables

Particulars	As at March 31, 2020	As at March 31, 2019
Unsecured, considered good	1,062,178,582	834,773,451
Doubtful	26,824,375	-
Less: Expected credit loss as per IND AS 109	(61,879)	
Total	1,088,941,078	834,773,451

Note:

The average credit period on sales of goods is 0 to 180 days. Credit Risk arising from trade receivables is managed in accordance with the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on a detailed study of credit worthiness and accordingly individual credit limits are defined/modified. The concentration of credit risk is limited due to the fact that the customer base is large. There is no customer representing more than 10% of the total balance of trade receivables.

Age of receivables

Particulars	As at March 31, 2020	As at March 31, 2019
< 180 days	977,477,738	791,990,220
More than 180 days	111,463,340	42,783,231
Total	1,088,941,078	834,773,451

Movement in the expected credit loss allowance on trade receivable

Particulars	As at March 31, 2020	As at March 31, 2019
Balance at beginning of the year	-	-
Loss allowance calculated at lifetime expected credit losses	(61,879)	
Balance at the end of the year	(61,879)	-

10 Cash and cash equivalents

Particulars	As at March 31, 2020	As at March 31, 2019
(a) Cash on hand	1,099,622	788,127
(b) Balances with banks : Current Accounts	22,396	10,621,829
(c) F.D. with Punjab National Bank	-	1,294,017
Total	1,122,018	12,703,973



11 Other current assets

Particulars	As at March 31, 2020	As at March 31, 2019
<u>Unsecured, considered good, unless otherwise stated</u>		
(a) Advances recoverable in cash or in kind		
Considered good	5,000,000	3,972,268
Considered doubtful	—	—
Less: Provision for doubtful advances	—	—
	5,000,000	3,972,268
(b) Prepaid expenses	2,507,817	4,411,634
(c) Balances with government authorities	45,177,455	67,947,673
(d) Other Loan & Advances	113,717,729	113,341,575
Total	166,403,001	189,673,150

12 Equity share capital

(Amount in INR)

Particulars	As at March 31, 2020	As at March 31, 2019
<u>Authorised share capital</u>		
1,50,00,000 (As at March 31, 2019 Rs. 1,50,00,000) Equity Shares of Rs 10/- each with voting rights	150,000,000	150,000,000
Total	150,000,000	150,000,000
<u>Issued capital</u>		
1,47,50,000 (As at March 31, 2019 Rs. 1,47,50,000) Equity Shares of Rs 10/- each with voting rights	147,500,000	147,500,000
Total	147,500,000	147,500,000
<u>Subscribed and fully paid up</u>		
1,47,50,000 (As at March 31, 2019 Rs. 1,47,50,000) Equity Shares of Rs 10/- each with voting rights	147,500,000	147,500,000
Total	147,500,000	147,500,000

Notes:-

- (i) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting year:

Particulars	Opening Balance	Shares Issued During the Year	Closing Balance
Equity Shares			
Year ended March 31, 2020			
- Number of shares	14,750,000	—	14,750,000
- Amount (Amount in INR)	147,500,000	—	147,500,000
Year ended March 31, 2019			
- Number of shares	14,750,000	—	14,750,000
- Amount (Amount in INR)	147,500,000	—	147,500,000
Year ended March 31, 2018			
- Number of shares	10,801,000	3,949,000	14,750,000
- Amount (Amount in INR)	108,010,000	39,490,000	147,500,000

**(ii) Terms/ Rights attached to equity shares**

The Company has only one class of equity shares having a par value of Rs. 10/- per share. Each holder of equity share is entitled to one vote per share.

The Company declares and pays dividend in Indian rupees. The dividend proposed by the Board of Directors is subject to approval of shareholders in the ensuing AGM.

(iii) Equity shareholder holding more than 5% of equity shares along with the number of equity shares held is as given below:

Class of shares / Name of shareholder	As at March 31, 2020		As at March 31, 2019	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Equity shares fully paid up				
Kailash S.Agarwal	2,648,200	17.95%	2,648,200	17.95%
Vasudev S.Agarwal	2,383,600	16.16%	2,383,600	16.16%
Subhakaran T.Agarwal	754,400	5.11%	754,400	5.11%
Vasudev S.Agarwal HUF	1,006,560	6.82%	1,006,560	6.82%
Kailash S.Agarwal HUF	1,022,700	6.93%	1,022,700	6.93%
Subhakaran T.Agarwal HUF	789,455	5.35%	789,455	5.35%
Anita Vasudev Agarwal	938,861	6.37%	-	-
Others	5,206,224	35.30%	6,145,085	41.66%
	14,750,000	100%	14,750,000	100%

(iv) As per records of the company, including its register of share holders/members and other declaration received from the share holders regarding beneficial interest, the above share holding represents both legal and beneficial ownership of shares.

**13 Other equity**

Refer Statement of Changes in Equity for detailed movement in Equity Balance

A Summary of Other Equity Balance

Particulars	As at March 31, 2020	As at March 31, 2019
(a) Securities premium account		
Opening Balance	63,184,000	63,184,000
Add : - premium on issue of shares	–	–
	63,184,000	63,184,000
(b) Capital Reserve		
Opening Balance	9,119,000	9,119,000
Add: Transferred from surplus in Statement of Profit and Loss	–	–
	9,119,000	9,119,000
(c) Surplus in Statement of Profit and Loss		
Opening balance	402,287,662	372,277,124
Add: Profit for the year	35,672,400	30,010,537
	437,960,061	402,287,661
(d) Other Comprehensive Income		
Balance as per last financial Statement	–	–
Add: Fair Valuation of Equity Shares through OCI	6,313,750	–
Add: Deferred tax asset on above	–1,589,045	–
Net Surplus in the statement of other comprehensive income (ii)	4,724,705	–
Total	514,987,766	474,590,661

B Nature and purpose of reserves**(i) Securities premium**

Securities premium reserve is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Act.

(ii) Capital Reserve

The reserve is utilised in accordance with the provisions of the Act.

(iii) Retained earnings

The amount that can be distributed by the Company as dividends to its equity shareholders is determined based on the balance in this reserve and also considering the requirements of the Companies Act, 2013.

14 Borrowings (Non Current)

Particulars	As at March 31, 2020	As at March 31, 2019
Secured - at amortised cost		
a) Term Loan for machines from Punjab National Bank	–	20,396,121
(b) Vehicles Loan	347,819	2,851,539
Unsecured - at amortised cost		
a) Loan From Directors, Family Member & Relatives	29,546,238	11,082,380
b) Loan From Corporate Bodies	8,011,884	–
Total	37,905,941	34,330,040

- i. **Vehicle Loans** :Vehicle Loan includes loans from bank and finance companies. The Repayment payment of these loans are monthly. These loans are secured against the asset under finance. The other terms and conditions such as interest rates etc. are as per the sanction letters issued by individual banks/financial institutions.

15 Deferred tax liabilities (Net)

Particulars	As at March 31, 2020	As at March 31, 2019
(a) Deferred tax liabilities		
(i) Difference between book and tax depreciation	717,708	2,284,405
(ii) Fair Valuation of investment in Equity Instruments	1,589,045	-
	2,306,753	2,284,405
(b) Deferred tax assets		
(i) Disallowances under Income Tax	-	-
(ii) Other	-	-
	-	-
Total	2,306,753	2,284,405

The Company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

16 Borrowings (Current)

Particulars	As at March 31, 2020	As at March 31, 2019
Secured - at amortised cost		
- Loans repayable on demand from banks (refer note (i) below)		
a) Cash Credit Facility from Punjab National Bank	-	573,724,218
b) Packing Credit Facility from Punjab National Bank	-	49,783,796
c) Cash Credit Facility from State Bank of India	473,648,421	-
d) Packing Credit Facility from State Bank of India	23,291,036	-
Total	496,939,457	623,508,014

Note:

- (i) Working capital facilities under the name cash credit, packing credit etc. are secured against hypothecation of all current assets including stock of raw material, stock in process, finished goods, stores & spares, book debt etc. Hypothecation of all Plant and Machinery of the Company (Present and Future). The facilities are further secured by mortgaged of certain immovable properties owned by Directors and their relatives. Personal gaurantee of Directors also given.

**17 Trade payables**

Particulars	As at March 31, 2020	As at March 31, 2019
Trade payables		
- Total outstanding dues of micro, small and medium enterprises	538,403,851	-
- Total outstanding dues of creditors other than micro, small and medium enterprises.	143,737,966	601,405,924
Total	682,141,817	601,405,924

Dues payable to Micro and Small Enterprise

As per information given to us there were no amount overdue and remaining outstanding to small scale and /or ancillary Industrial suppliers on account of principal and /or interest as at the close of the year. Based on the information available with company, there are dues outstanding to Micro and Small Enterprises as defined under Micro, Small and Medium Enterprises Development Act, 2006 for more than 45 days as at March 31, 2020, however based on agreed terms, the payment to be made upto 180 days and accordingly no interest has been paid.

18 Other financial liabilities (Current)

Particulars	As at March 31, 2020	As at March 31, 2019
(a) Current maturities of long-term borrowings	2,612,224	28,084,860
Total	2,612,224	28,084,860

19 Other current liabilities

Particulars	As at March 31, 2020	As at March 31, 2019
(a) Statutory remittances	2,037,847	1,388,873
(b) Payables on purchase of fixed assets	17,720,769	26,930,987
(c) Others	75,699,899	56,617,438
Total	95,458,515	84,937,298

20 Provisions (Current)

Particulars	As at March 31, 2020	As at March 31, 2019
Provisions for Expenses	6,021,060	10,495,457
Total	6,021,060	10,495,457

21 Current tax liabilities (Net of Advance tax and TDS)

Particulars	As at March 31, 2020	As at March 31, 2019
Provision	13,729,624	16,187,885
Less: Advance Tax	2,000,000	3,500,000
Less: TDS & TCS Deducted by Party	8,813,109	11,984,322
Total	2,916,515	703,563



22 Revenue from operations

(Amount in INR)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
(a) Sale of products		
Finished Goods (Net of Returns)	2,748,884,403	2,380,563,142
Export Sales	81,537,055	113,375,014
(b) Sale of Yarn	1,669,218	-
(c) Sale of services - Job Work	448,581,112	607,277,360
Total	3,280,671,788	3,101,215,516
Less: Claim Vatav	8,657,256	11,342,100
Less: Commission on sales	20,305,469	20,420,715
Total	3,251,709,063	3,069,452,701

23 Other income

(Amount in INR)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
(a) Interest income earned on Fixed Deposit	72,894	746,520
(b) Gain/(loss) on disposal of property, plant and equipment	-	2,324,501
(c) Export Incentives	10,320,317	5,395,775
(d) Custom Duty Receivable	727,686	-
Total	11,120,897	8,466,795

24 Cost of materials consumed

(Amount in INR)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Opening stock	148,548,602	147,085,702
Add : Purchase	1,968,678,535	1,982,361,838
Add : Grey Dalali	6,005,858	5,052,974
Less: Closing stock	138,562,413	148,548,602
Cost of materials consumed	1,984,670,583	1,985,951,912



25 Changes in inventories of finished goods (including stock in trade) and Work-in-Progress

(Amount in INR)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
<u>Inventories at the end of the year:</u>		
(a) Finished goods	189,391,257	401,291,137
(b) Work-in-progress Own	116,484,547	105,232,801
(c) Yarn	–	1,762,487
Total	305,875,805	508,286,425
<u>Inventories at the beginning of the year:</u>		
(a) Finished goods	401,291,137	324,489,489
(b) Work-in-progress Own	105,232,801	137,584,075
(c) Yarn	1,762,487	1,762,487
Total	508,286,425	463,836,051
Net (increase) / decrease	202,410,620	(44,450,374)

26 Employee benefits expense

(Amount in INR)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
(a) Salaries and wages	82,558,372	88,784,909
(b) Contributions to provident and other funds	4,853,980	5,349,621
(c) Staff welfare expenses	304,925	467,626
(d) Director Remuneration	2,723,430	3,209,030
Total	90,440,707	97,811,186

27 Finance costs

(Amount in INR)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
(a) Interest costs on borrowings	73,821,854	72,969,074
(b) Other borrowing costs	2,797,045	3,052,645
Total	76,618,899	76,021,719



28 Other expenses

(Amount in INR)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Manufacturing Expenses		
<u>Colour Chemical Consumed :</u>		
Opening Stock	10,451,864	30,477,604
Add: Purchase (Net of Return)	301,643,975	345,310,988
Less: Resale	98,271	1,667,246
	311,997,568	374,121,346
Less: Closing Stock	10,492,154	10,451,864
	301,505,414	363,669,482
<u>Packing Material Consumed :</u>		
Opening Stock	1,983,472	1,066,839
Add: Purchase (Net of Return)	22,840,402	23,467,975
Less: Resale	–	2,772
	24,823,874	24,532,042
Less: Closing Stock	854,661	1,983,472
	23,969,213	22,548,570
<u>Power & Fuel Consumed :</u>		
Opening Stock	1,468,824	6,022,574
Add: Purchase of Lignite & Fire Wood	160,397,755	154,595,168
Add: Electric Bill	80,216,850	84,174,090
Less: Coal Ash Sale	26,713	8,550
	242,056,715	244,783,282
Less: Closing Stock	628,452	1,468,824
	241,428,263	243,314,458
<u>Store & Spare Consumed :</u>		
Opening Stock	8,581,254	7,771,229
Add: Purchase	67,162,202	56,289,551
Less: Re Sale	–	1,828,700
	75,743,456	62,232,080
Less: Closing Stock	3,842,782	8,581,254
	71,900,674	53,650,826
	638,803,564	683,183,335
Process Charges	75,070,945	93,845,974
Freight on Inward	22,173,097	15,946,010
Machinery Repairs & Maintenance	6,702,196	8,959,992
Factory Expenses	98,601	31,600
Testing charges	183,106	802,755
Pollution Control Expenses	11,699,923	11,955,143
	754,731,432	814,724,810



Administrative, Selling & Distribution Expenses		
Advertisement	43,016	32,400
Air Condition Repairs	473,101	575,938
Auditors Remuneration	250,000	250,000
Books & Periodicals	–	9,600
Bad Debts	27,568,112	–
Cartage	2,035,611	2,661,772
Charity & Donation	1,518,440	1,043,370
Computer Repairs & Maintenance expenses	762,678	664,730
ECGC & Inspaction charges	311,613	306,358
Electric Expenses	1,983,374	1,952,170
Entertainment Exp.	108,628	163,349
Export Fluctuation	(840,897)	(1,684,272)
Furniture Repairs	-	333,889
General Expenses	115,378	48,507
Worker compensation	-	100,000
Insurance Charges	8,337,426	5,120,302
Legal & Professional Charges	4,299,757	4,641,597
Loss on sale of matador	57,991	-
Metador Expenses	1,048,675	1,148,181
Outward Freight & Clearing & forwarding	2,304,884	2,984,566
Penlty & Late Fee's	900	24,845
Postage & Angaria	987,030	977,565
Printing & Stationery	914,649	920,288
Professional Tax	2,400	3,093
Rent Rate & Taxes	2,968,336	3,128,083
Repairs to Buildings	545,527	1,604,698
ROC & Stock Exchange exp.	156,480	363,585
Sales Promotion Expenses	60,576	204,141
Sampling exp.	–	47,846
Service Tax	–	155,298
Sitting Fee's	111,000	60,000
Subscription & Membership	181,893	88,019
Telephone Expenses	275,836	282,436
Round off	(72)	119
Travelling Expenses	1,747,018	1,561,129
VAT/GST Reversal (Rule 42 & 43)	18,000	152
Vehicle Expenses	1,777,331	1,761,612



Watch & Wards	1,177,200	1,282,028
Custom Duty Expenses	266,246	15,973,759
Expected Credit Loss expenses	61,879	–
Total	816,361,447	863,515,961
Payments to auditors:		
(a) For audit	150,000	150,000
(b) For taxation matters	100,000	100,000
Total	250,000	250,000

29 Basic and Diluted Earnings per share

The earnings and weighted average number of ordinary shares used in the calculation of basic earnings per share are as follows:

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Profit after tax (Amount in INR)	35,672,400	30,010,537
Weighted average number of equity shares for the purposes of basic and diluted earnings per share	14,750,000	14,750,000
Basic and Diluted Earnings per share (Face value of Rs 10 each)	2.42	2.03

30 Contingent liabilities & Commitments

Particulars	As at March 31, 2020	As at March 31, 2019
Contingent liabilities & Commitments	Nil	97.46 Lacs

31 Contingent assets

The are no contingent assets recognised as at March 31, 2020

32 Break up of expenditure incurred on employess who were in receipt of remuneration aggregating Rs 10200000/- or more for year or Rs. 850000/- or more per month where employed for a part of the year Nil (Previous Year Nil).

33 Balance of Trade Payables, Receivables, Loans and advances, unsecured loans are subject to confirmation.

34 **SEGMENT INFORMATION**

(a) Description of segment and principal activities

The Managing Director/ Chief Executive Officer of the Company allocate resources and assess the performance of the Company, thus are the Chief Operating Decision Maker (CODM). Textile Business is identified as single operating segment for the purpose of making decision on allocation of resources and assessing its performance.

(b) **Information about geographical areas**(i) **Revenue from External Customers**

Particulars	2019-20	2018-19
India	3,170,172,008	2,956,077,686
Outside India	81,537,055	113,375,014
Total	3,251,709,063	3,069,452,700



Revenue from external customer is allocated based on the location of customers.

(ii) Non - Current Assets

Particulars	2019-20	2018-19
India	225,812,934	251,428,206
Outside India	-	-
Total	225,812,934	251,428,206

Non-current assets include property, plant and equipment, capital work in progress, intangible assets and Security Deposits. It is allocated based on the geographic location of the respective assets.

(c) Information about major customers

There is no customer representing more than 10% of the total balance of trade receivables.

35 Related Party Transactions

a. Concerns

in which directors or their relatives are interested

Virat Weaving Pvt.Ltd.

Aakruti Textile

b. Directors of Company

Vasudev S. Agarwal

Sourabh Vijay Patawari

Gopal Sanwarmal Pansari

Bhoor Singh B. Parihar

Garima Jain

Relatives of Directors of Company

Shri Subhkaran T. Agarwal

Subhkaran T. Agarwal HUF

Smt.Bimla Devi S.agarwal

Vasudev S. Agarwal HUF

Shri Kailash S. Agarwal

Smt.Anjana Kailash Agarwal

Shri Ravi S. Agarwal

Ravi S. Agarwal HUF

Smt. Kajal R. Agarwal

Aakruti V. Agarwal

Aashna V.Agarwal

Chief Financial Officer

Manoharlal Sharma

Companies Secretary

Rachita Somani



Following transactions were carried out with the related parties in ordinary course of business as on 31.03.2020:

Particulars	Concerns in which Directors or their relatives are interested	Directors' & Relatives Key Management Personnel
1 Sales & other Inc.	54,668,131	Nil
2 Purchase & other Service	13,338,824	Nil
3 Remuneration & Salary	Nil	6,582,025
4 Loan Received	Nil	44,339,912
5 Loan Paid	Nil	26,811,204
6 Interest Recd.	Nil	Nil
7 Interest Paid	Nil	1,038,622
8 Rent Paid	Nil	60,000
9 Sitting Fee's	Nil	111,000
10 Balance outstanding Dr./Cr. (Net)	28887153 Dr	29600238 Cr

The particulars given above have been identified on the basis of information available with the company. Following transactions were carried out with the related parties in ordinary course of business as on 31.03.2019:

Particulars	Concerns in which Directors or their relatives are interested	Directors' & Relatives
1 Sales & other Inc.	36,358,954	Nil
2 Purchase & other Service	47,805,952	Nil
3 Investment in Shares	15,499,380	Nil
4 Remuneration & Salary	Nil	7,200,000
5 Loan Received	20,000	17,701,449
6 Loan Paid	3,578,589	14,948,614
7 Interest Recd.	Nil	Nil
8 Interest Paid	11,423	120,299
9 Rent Paid	Nil	60,000
10 Balance outstanding Dr./Cr. (Net)	357081 Dr	11082380 Cr

The particulars given above have been identified on the basis of information available with the company.

36 Financial instruments

1 Capital management

The Company manages its capital to ensure that the Company will be able to continue as a going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance.



The capital structure of the Company consists of net debt and total equity of the Company.

1.1 Gearing ratio

The gearing ratio at the end of the reporting period was as follows.

Particulars	As at March 31, 2020	As at March 31, 2019
Debt (i)	537,457,622	685,922,913
Cash and bank balances (Refer Note 10)	1,122,018	12,703,973
Net debt	538,579,640	698,626,886
Total equity	662,487,766	622,090,661
Net debt to equity ratio	0.81	1.12

(i) Debt is defined as long-term and short term borrowing, as described in notes 14, 16 and 18

2 Categories of financial instruments

Particulars	As at March 31, 2020		As at March 31, 2019	
	Carrying values	Fair values	Carrying values	Fair values
<u>Financial assets</u>				
Measured at amortised cost				
Investments			39,941,000	39,941,000
Loans	9,746,500	9,746,500	84,978	84,978
Trade receivables	1,088,941,078	1,088,941,078	834,773,451	834,773,451
Cash and cash equivalents	1,122,018	1,122,018	12,703,973	12,703,973
Total Financial Assets carried at amortised cost (A)	1,099,809,596	1,099,809,596	887,503,402	887,503,402
Measured at fair value through profit and loss				
Current investments in mutual funds	–	–	–	–
Total Financial Assets at fair value through profit and loss (B)	–	–	–	–
<u>Measured at fair value through other comprehensive income</u>				
Non-current investments in equity instruments	46,254,750	46,254,750	–	–
Total Financial Assets at fair value through profit and loss (C)	46,254,750	46,254,750	–	–
Total Financial Assets (A+B+C)	1,146,064,346	1,146,064,346	887,503,402	887,503,402
<u>Financial liabilities</u>				
Measured at amortised cost				
Non-current liabilities				
Non-current borrowings*	37,905,941	37,905,941	34,330,040	34,330,040
Current liabilities				
Short-term borrowings	496,939,457	496,939,457	623,508,014	623,508,014
Trade payables	682,141,817	682,141,817	601,405,924	601,405,924
Other financial liabilities	2,612,224	2,612,224	28,084,860	28,084,860
Financial Liabilities measured at amortised cost	1,219,599,439	1,219,599,439	1,287,328,838	1,287,328,838
Total Financial Liabilities	1,219,599,439	1,219,599,439	1,287,328,838	1,287,328,838

* The fair value of the Unquoted Investment in Equity is based on valuation on Net Asset Method as provided by the Management.

3 Financial risk management objectives

The Company's Corporate finance department provides services to business, co-ordinates access to domestic and international financial markets, monitors and manages the financial risks relating to the operations of the Company through internal risk reports which analyse the exposures by degree and magnitude of risks. These risks include market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk.

4 Market risk

The Company's activities expose it primarily to the financial risks of changes in interest rates due to variable interest loans. The Company does not enter into derivative contracts to manage risks related to anticipated sales and purchases.

5 Foreign currency risk management

The Company undertakes transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arise. Exchange rate exposures are managed within approved policy parameters utilizing forward foreign exchange contracts and currency options taken at the time of initiation of the booking by the management. Such decision is taken after considering the factors such as upside potential, cost of structure and the downside risks etc. Quarterly reports are submitted to Management Committee on the covered and open positions and MTM valuation.

The carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows.

Particulars	As at March 31, 2020 (Amount in Rupees)				As at March 31, 2019 (Amount in Rupees)			
	USD	EURO	INR	Total	USD	EURO	INR	Total
Financial assets								
Non-current financial assets								
Investments	-	-	46,254,750	46,254,750	-	-	39,941,000	39,941,000
Loans	-	-	9,746,500	9,746,500	-	-	84,978	84,978
Total non-current financial assets	-	-	56,001,250	56,001,250	-	-	40,025,978	40,025,978
Current financial assets								
Trade receivables	-	16,289,522	1,072,713,435	1,089,002,957	-	4,298,696	830,474,755	834,773,451
Cash and cash equivalents	-	-	1,122,018	1,122,018	-	-	12,703,973	12,703,973
Total current financial assets	-	16,289,522	1,073,835,453	1,090,124,975	-	4,298,696	843,178,729	847,477,425
Total financial assets	-	16,289,522	1,129,836,703	1,146,126,225	-	4,298,696	883,204,707	887,503,403
Financial liabilities								
Non current financial liabilities								
Borrowings	-	-	37,905,941	37,905,941	-	-	34,330,040	34,330,040
Total non-current financial liabilities	-	-	37,905,941	37,905,941	-	-	34,330,040	34,330,040
Current financial liabilities								
Borrowings	-	-	496,939,457	496,939,457	-	-	623,508,014	623,508,014
Trade payables	-	-	682,141,817	682,141,817	-	-	601,405,924	601,405,924
Others	-	-	2,612,224	2,612,224	-	-	28,084,860	28,084,860
Total current financial liabilities	-	-	1,181,693,498	1,181,693,498	-	-	1,252,998,798	1,252,998,798
Total financial liabilities	-	-	1,219,599,439	1,219,599,439	-	-	1,287,328,838	1,287,328,838
Excess of financial liabilities over financial assets	-	(16,289,522)	89,762,736	73,473,214	-	(4,298,696)	404,124,131	399,825,435
Hedge foreign currency risk	-	-	-	-	-	-	-	-
Unhedge foreign currency risk	-	(16,289,522)	89,762,736	73,473,214	-	(4,298,696)	404,124,131	399,825,435
Sensitivity impact on Net liabilities/ (assets) exposure at 10%	-	(1,628,952)	NA	(1,628,952)	-	(429,870)	NA	(429,870)

**5.1 Foreign currency sensitivity analysis**

The Company is not materially exposed to USD and EURO currency.

6 Interest rate risk management

The Company is exposed to interest rate risk because funds are borrowed at both fixed and floating interest rates. Interest rate risk is measured by using the cash flow sensitivity for changes in variable interest rate. The Company has exposure to interest rate risk, arising principally on changes in interest rates. The Company uses a mix of interest rate sensitive financial instruments to manage the liquidity and fund requirements for its day to day operations like long term and short term loans. The risk is managed by the Company by maintaining an appropriate mix between fixed and floating rate borrowings. Hedging activities are evaluated regularly to align with interest rate views and defined risk appetite, ensuring the most cost-effective hedging strategies are applied. The table in 6.1 provides a break-up of the Company's fixed and floating rate borrowings:

6.1 Interest rate sensitivity analysis

The sensitivity analyses below have been determined based on the exposure to interest rates for both derivatives and non-derivative instruments at the end of the reporting period. For floating rate liabilities, the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year. A 50 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

The following table provides a break-up of the Company's fixed and floating rate borrowings and interest rate sensitivity analysis.

Particulars	As at March 31, 2020		As at March 31, 2019	
	Gross amount	Interest rate sensitivity @0.50%	Gross amount	Interest rate sensitivity @0.50%
Fixed Loan	37,905,941	NA	18,018,779	NA
Variable Loan	496,939,457	2,484,697	667,904,134	3,339,521
Total	534,845,398	2,484,697	685,922,913	3,339,521

7 Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration risks. The Company has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults. The Company uses publicly available financial information and its own trading records to rate its major customers. The Company's exposure and the credit ratings of its counterparties are continuously monitored and the aggregate value of transactions concluded is spread amongst approved counterparties.

Trade receivables consist of a large number of customers, spread across diverse geographical areas. Ongoing credit evaluation is performed on the financial condition of accounts receivable.

The Company does not have significant credit risk exposure to any single counterparty. Concentration of credit risk related to the above mentioned company did not exceed 10% of gross monetary assets at any

time during the year. Concentration of credit risk to any other counterparty did not exceed 10% of gross monetary assets at any time during the year.

7.1 Collateral held as security and other credit enhancements

The Company does not hold any collateral or other credit enhancements to cover its credit risk associated with its financial assets.

8 Liquidity risk management

Liquidity risk refers to the risk of financial distress or extraordinary high financing costs arising due to shortage of liquid funds in a situation where business conditions unexpectedly deteriorate and requiring financing. Ultimate responsibility for liquidity risk management rests with the board of directors, which has established an appropriate liquidity risk management framework for the management of the Company's short, medium and long-term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

The following tables detail the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods and its non-derivative financial assets. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay.

8.1 Particulars	As at March 31, 2020				As at March 31, 2019			
	< 1 year	1-5 years	> 5 years	Total	< 1 year	1-5 years	> 5 years	Total
Financial assets								
Non-current								
Investments	–	–	46,254,750	46,254,750	–	–	39,941,000	39,941,000
Loans	–	–	9,746,500	9,746,500	–	–	84,978	84,978
Total non-current financial assets	–	–	56,001,250	56,001,250	–	–	40,025,978	40,025,978
Current								
Trade receivables	1,088,941,078	–	–	1,088,941,078	834,773,451	–	–	834,773,451
Cash and cash equivalents	1,122,018	–	–	1,122,018	12,703,973	–	–	12,703,973
Total current financial assets	1,090,063,096	–	–	1,090,063,096	847,477,425	–	–	847,477,425
Total financial assets	1,090,063,096	–	56,001,250	1,146,064,346	847,477,425	–	40,025,978	887,503,403
Financial liabilities								
Non-current								
Borrowings	–	347,819	37,558,122	37,905,941	–	23,247,660	11,082,380	34,330,040
Total non-current financial liabilities	–	347,819	37,558,122	37,905,941	–	23,247,660	11,082,380	34,330,040
Current								
Borrowings	496,939,457	–	–	496,939,457	623,508,014	–	–	623,508,014
Trade payables	682,141,817	–	–	682,141,817	601,405,924	–	–	601,405,924
Other financial liabilities	2,612,224	–	–	2,612,224	28,084,860	–	–	28,084,860
Total current financial liabilities	1,181,693,498	–	–	1,181,693,498	1,252,998,798	–	–	1,252,998,798
Total financial liabilities	1,181,693,498	347,819	37,558,122	1,219,599,439	1,252,998,798	23,247,660	11,082,380	1,287,328,838



37 Income Taxes

Income taxes recognised in statement of profit and loss

(Amt in INR)

Particulars	For the Year Ended March 31, 2020	For the Year Ended March 31, 2019
(i) Income tax recognised in the statement of profit and loss		
Current tax		
In respect of the current year	13,729,624	16,187,885
Short/Excess Provision for tax of earlier years	(42,939)	34,927
Deferred tax		
In respect of the current year	(1,566,697)	(766,760)
MAT Credit Taken	—	—
Income tax expenses recognised in the statement of profit and loss	12,119,988	15,456,052
(ii) Income tax recognised in other comprehensive income		
Deferred Tax : -	1,589,045	—
Deferred tax benefit on actuarial gain/(loss) on defined plan	—	—
Income tax expenses recognised in the statement of profit and loss	13,709,03	—

Reconciliation of Tax Expenses and the accounting profit for the year is as under:

(Amt in INR)

Particulars	For the Year Ended March 31, 2020	For the Year Ended March 31, 2019
Income before taxes	47,792,388	45,466,589
Enacted tax rate in India	25.168%	33.384%
Expected income tax benefit/(expense) at statutory tax rate	12,028,388	15,178,566
Effect of:		
Tax effect on non -deductible expenses	—	—
Unrecognized of MAT Credit Entitlements	—	—
Others	1,701,236	1,009,319
Excess /(short) provisions of earlier years income tax		
Minimum alternate tax (MAT) (reversal of earlier years)	—	—
Deferred tax liabilities	22,348	-
Short/Excess Provision for tax of earlier years	(42,939)	34,927
Income taxes credit/ (expenses) recognised in the statement of income	13,709,033	16,222,812



The tax rate used for the above reconciliation is the corporate tax rate of 25.168% (Previous Year 33.384%) payable by corporate entities in India on taxable profits under the Indian tax laws.

(Amt in INR)

Components of Deferred Tax (charge) /benefit for the year	For the Year Ended March 31, 2020	For the Year Ended March 31, 2019
Depreciation and Amortisation	(1,566,697)	(766,760)
Others	1,589,045	–
Provision of bad and doubtful debts	–	–
Total deferred tax for the year	22,348	(766,760)

Components of deferred tax assets and liabilities

(Amt in INR)

Particulars	As at March 31, 2020	As at March 31, 2019
(a) Deferred tax liabilities		
(i) Difference between book and tax depreciation	717,708	2,284,405
(ii) Others	1,589,045	–
	2,306,753	2,284,405
(b) Deferred tax assets		
(i) Disallowances under Income Tax	–	–
(ii) Other	–	–
Deferred tax Liabilities (Net)	2,306,753	2,284,405

38 **Reconciliation of the amount of revenue recognised in the statement of profit and loss with the contracted price:**

(Amt in INR)

Particulars	31 March 2020
Revenue as per contracted price	3,324,932,844
Adjustments	
Discounts / rebates / incentives	(8,657,256)
Sales returns / credits / reversals	(44,261,056)
Deferral of revenue	–
Any other adjustments	(20,305,469)
Revenue from contract with customers	3,251,709,063

Disaggregation of revenue

The management determines that the segment information reported under Note 30 Segment reporting is sufficient to meet the disclosure objective with respect to disaggregation of revenue under Ind AS 115 Revenue from contract with Customers. Hence, no separate disclosures of disaggregated revenues are reported.



39 Approval of financial statements

The financial statements were approved for issue by the board of directors on 24th July, 2020

In terms of our report attached
For Abhishek Kumar & Associates
Chartered Accountants
Firm Regn. No. 130052W

(CA. Abhishek Kumar Agarwal)
Proprietor
M. No. 132305

UDIN: 20132305AAAADI7826

Place : Ahmedabad
Dated : 24-07-2020

For and on behalf of the Board of Directors
Anjani Synthetics Limited

Vasudev S. Agarwal
(Managing Director)
(DIN-01491403)

Manoharlal Sharma
(Chief Financial Officer)

Place : Ahmedabad
Dated : 24-07-2020

Bhoor Singh B. Parihar
(Director)
(DIN-01612692)

Rachita Somani
(Company Secretary)

STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31st MARCH, 2020

(Amount in INR)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
A. CASH FLOW FROM OPERATING ACTIVITIES		
NET PROFIT BEFORE TAX AND EXTRA ORDINARY ITEMS	47,792,388	45,466,589
ADJUSTMENT FOR :		
DEPRECIATION	44,535,317	53,602,502
LOSS/(PROFIT) ON SALE OF FIXED ASSETS	57,991	-2,324,501
INTEREST PAID	73,821,854	72,969,074
INTEREST RECEIVED	-72,894	1 18,342,268
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	166,134,656	168,967,145
ADJUSTMENT FOR :		
TRADE AND OTHER RECEIVABLES	-254,167,627	270,566,286
INVENTORIES	219,064,175	-23,060,442
OTHER CURRENT ASSETS	13,608,627	-45,010,970
OTHER CURRENT FINANCIAL LAIBILITIES i.e. TRADE PAYABLES etc.	63,523,028	42,028,203
CASH OUT FLOW FROM OPERATIONS	208,162,859	295,672,948
CASH OUT FLOW BEFORE EXTRAORDINARY ITEMS	208,162,859	295,672,948
DIRECT TAX PAID	-13,729,624	-16,187,885
EXTRA ORDINARY ITEMS (PRIOR YEAR'S TAX)	42,939	-34,927
NET CASH OUT FLOW FROM OPERATING ACTIVITIES	194,476,174	279,450,136
B. CASH FLOW FROM INVESTING ACTIVITIES :		
PURCHASES OF SHAR	-	-16,500,380
SALE OF FIXED ASSETS	100,000	6,876,902
INTEREST RECEIVED	72,895	746,520
PURCHASES OF FIXED ASSETS	-9,416,514	-39,733,110
NET CASH OUT FLOW FROM INVESTING ACTIVITIES	-9,243,619	-48,610,069
C. CASH FLOW FROM FINANCING ACTIVITIES		
INCREASE IN SECURED LOANS	-149,468,398	-139,743,700
INCREASE IN UNSECURED LOANS	26,475,742	-8,934,715
INTEREST PAID	-73,821,854	-72,969,074
NET CASH FLOW IN FINANCING ACTIVITIES	-196,814,510	-221,647,489
NET INCREASE /(DECREASE) IN CASH AND CASH EQUIVALENT	-11,581,955	9,192,578
CASH AND CASH EQUIVALENT AS AT 31.03.2019 (OPENING CASH BALANCE)	12,703,973	3,511,395
CASH AND CASH EQUIVALENT AS AT 31.03.2020	1,122,018	12,703,973
CLOSING CASH BALANCE	1,122,018	12,703,973

Notes

- The above standalone Cash Flow Statement has been prepared under the "Indirect Method" as set out in Indian Accounting Standard (Ind AS) - 7 "Statement of Cash Flows".
- Cash and cash equivalent includes:

Particulars	As at March 31, 2020	As at March 31, 2019
(a) Cash on hand	1,099,622	788,127
(b) Balances with banks : Current Accounts	22,396	10,621,829
(c) F.D. with Punjab National Bank	-	1,294,017
	1,122,018	12,703,973

In terms of our report attached
For Abhishek Kumar & Associates
Chartered Accountants
Firm Regn. No. 130052W

(CA. Abhishek Kumar Agarwal)
Proprietor
M. No. 132305

UDIN: 20132305AAAADI7826

Place : Ahmedabad
Dated : 24-07-2020

For and on behalf of the Board of Directors
Anjani Synthetics Limited

Vasudev S. Agarwal
(Managing Director)
(DIN-01491403)

Manoharlal Sharma
(Chief Financial Officer)

Place : Ahmedabad
Dated : 24-07-2020

Bhoor Singh B. Parihar
(Director)
(DIN-01612692)

Rachita Somani
(Company Secretary)

Book-Post

To



If Underlined please return to :

ANJANI SYNTHETICS LIMITED

[CIN: L11711GJ1984PLC007048]

Regd. Office : 221 (Maliya), New Cloth Market,
O/s Raipur Gate, Ahmedabad - 380002, Gujarat

Ph. No. : 079-22173181 / E-mail: info@anjanisynthetics.com

Website: www.anjanisynthetics.com