



ANJANI SYNTHETICS LIMITED

[CIN: L11711GJ1984PLC007048]

35th

Annual Report

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REGD. OFFICE:

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



ANJANI SYNTHETICS LIMITED

[CIN: L11711GJ1984PLC007048]

35TH ANNUAL REPORT- 2018-19

Corporate Information

BOARD OF DIRECTORS

Mr. Vasudev S. Agarwal
Mr. Bhoorsingh B. Parihar
Ms. Garima Jain
Mr. Gopal S. Pansari
Mr. Sourabh Vijay Patawari

- Chairman & Managing Director
- Additional Executive Director (w.e.f 12.10.2018)
- Additional Non Executive Woman Independent Director (w.e.f 15.06.2019)
- Additional Non Executive Independent Director (w.e.f 12.10.2018)
- Additional Non Executive Independent Director (w.e.f 28.02.2019)

CHIEF FINANCIAL OFFICER

Mr. Manoharlal I. Sharma

- Chief Financial Officer (CFO)

COMPANY SECRETARY

Ms. Rachita Somani

- Company Secretary & Compliance officer (w.e.f 09.08.2019)

STATUTORY AUDITORS

M/s. Abhishek Kumar & Associates

Chartered Accountants
Ahmedabad

INTERNAL AUDITORS

M/s. Kamal M. Shah & Co.

Chartered Accountants
Ahmedabad

SECRETARIAL AUDITORS

M/s. Mukesh H. Shah & Co.

Company Secretaries
Ahmedabad

COST AUDITORS

M/s. Kiran J. Mehta & Co.

Cost Accountants
Ahmedabad

REGISTRAR & SHARE 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

BANKERS

Punjab National Bank

Ahmedabad

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

Factory/ Mill

Plot No. 140, Saijpur- Gopalpur, Pirana Road,
Pipej, Ahmedabad-382405, Gujarat, India
Ph. No.: 079- 29708149
Email: accounts@anjanisynthetics.com

IMPORTANT COMMUNICATION TO MEMBERS

The Ministry of Corporate Affairs has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by the companies and has issued circulars stating that service of notice / documents including Annual Report can be sent by e-mail to its members. To support this green initiative of the Government in full measure, members who have not registered their e-mail addresses, so far, are requested to register their e-mail addresses, in respects of electronic holding with the Depository through their concerned Depository Participants.

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NOTICE

Notice is hereby given that the **35th Annual General Meeting** of the Members of **Anjani Synthetics Limited** will be held at Plot No.140, Saijpur-Gopalpur, Pirana Road, Piplej, Ahmedabad-382405, Gujarat, India on Friday **the 27th day of September, 2019 at 11.00 a.m.** 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, 2019, the reports of the Board of Directors and the Auditors thereon.

Item No.2: Appointment of Director

To appoint Mr. Vasudev S. Agarwal [DIN: 01491403] as a Director who retires by rotation and being eligible, offers himself 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 and continue for the next year 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 2019-20, be paid the remuneration as set out in the Statement annexed to the Notice convening this Meeting be and is hereby approved and ratified.”

Item No.5: To consider and if thought fit, to pass, with or without modification, the following as an **Ordinary Resolution:**

“RESOLVED THAT pursuant to the provision of section 149, 152 and any other applicable provisions of the Companies Act, 2013 and the Rules made thereunder (including any statutory modifications or re-enactment thereof for the time being in force) read with Schedule IV of the Companies Act, 2013, Mr. Gopal Sanwormal Pansari (DIN: 08226713), who was appointed as Additional Independent Director on 12th October, 2018 and who holds office till the date of the Annual General Meeting, in terms of Section 161 of the Act, and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Act, signifying his intention to propose Mr. Gopal Sanwormal Pansari (DIN: 08226713) as a candidate for the office of a Director of the Company, be and is hereby appointed as an Independent Director, not liable to retire by rotation, to hold office for a term of five consecutive years.

“RESOLVED FURTHER THAT the Board of the company be and is hereby authorized to do all such acts, deeds and things and to execute all such documents, instruments and writings as may be required in this regard.

Item No.6: To consider and if thought fit, to pass, with or without modification, the following as an **Ordinary Resolution:**

“RESOLVED THAT pursuant to the provision of section 149, 152 and any other applicable provisions of the Companies Act, 2013 and the Rules made thereunder (including any statutory modifications or re-enactment thereof for the time

being in force) read with Schedule IV of the Companies Act, 2013, Ms. Garima Jain (DIN: 08456031), who was appointed as Additional Independent Director on 15th June, 2019 and who holds office till the date of the Annual General Meeting, in terms of Section 161 of the Act, and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Act, signifying his intention to propose Ms. Garima Jain (DIN: 08456031) as a candidate for the office of a Director of the Company, be and is hereby appointed as Woman Independent Director, not liable to retire by rotation, to hold office for a term of five consecutive years.

RESOLVED FURTHER THAT Directors/Company Secretary of the Company, be and is hereby severally authorized to file necessary returns/forms to the Registrar of Companies and to do all such acts, deeds and things that may be necessary, proper, expedient or incidental for the purpose of giving effect to the aforesaid resolution.”

Item No.7: To consider and if thought fit, to pass, with or without modification, the following as an **Ordinary Resolution:**

“RESOLVED THAT Mr. Bhoorsingh Bagsingh Parihar (DIN: 01612692), who was appointed as Additional Director on 12th October, 2018 by the Board of Directors and hold office up to the date of Annual General Meeting under section 161 of Companies Act, 2013 and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as Director of the Company liable to retire by rotation.

RESOLVED FURTHER THAT Directors/Company Secretary of the Company, be and is hereby severally authorized to file necessary returns/forms to the Registrar of Companies and to do all such acts, deeds and things that may be necessary, proper, expedient or incidental for the purpose of giving effect to the aforesaid resolution.”

Item No.8: To consider and if thought fit, to pass, with or without modification, the following as an **Ordinary Resolution:**

“RESOLVED THAT pursuant to the provisions of Sections 149, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) Mr. Sourabh Vijay Patawari (DIN: 08364509), who was appointed as Additional Independent Director on 28th February, 2019 and who holds office till the date of the Annual General Meeting, in terms of Section 161 of the Act, and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Act, signifying his intention to propose Mr. Sourabh Vijay Patawari (DIN: 08364509) as a candidate for the office of a Director of the Company, be and is hereby appointed as an Independent Director, not liable to retire by rotation, to hold office for a term of five consecutive years.

RESOLVED FURTHER THAT Directors/Company Secretary of the Company, be and is hereby severally authorized to file necessary returns/forms to the Registrar of Companies and to do all such acts, deeds and things that may be necessary, proper, expedient or incidental for the purpose of giving effect to the aforesaid resolution.”

Item No.9 : 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 : 09.08.2019

**[VASUDEV S. AGARWAL]
CHAIRMAN & MD
DIN: 01491403**

Registered Office:

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

CIN: L11711GJ1984PLC007048

**NOTES:**

- 1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (THE “MEETING”) IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIM-SELF/ HER-SELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING THE PROXY SHOULD, HOWEVER, BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY-EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING.**

A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.

2. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, relating to Special Business is annexed hereto.
3. Corporate members intending to send their authorized representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.
4. Members/proxies are requested to bring their copies of Annual Report along with duly filed and signed attendance sheets attached with it for attending the meeting.
5. Members who are holding shares in dematerialized form are required to bring details of their Beneficiary Account Number for identification.
6. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
7. Members holding shares in electronic form are requested to intimate immediately any changes in their address or bank mandates to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form are requested to advise any change in their address or bank mandates immediately to the Company.
8. Members desiring any information on the Accounts are requested to write to the Company at least 10 days before the meeting, so as to enable the Management to keep the information ready. Replies will be provided only at the meeting
9. Notice of this Annual General Meeting, Audited Financial Statements for 2018-19 along with Directors report and Auditors' Report are available on the website of the Company www.anjanisynthetics.com
10. The Register of Members and the Share Transfer Register of the Company will remain closed from Saturday, 21.09.2019 to Friday 27.09.2019 (both days inclusive).
11. Bigshare Services Private Limited having its branch office at A-802 Samudra Complex, Near Klassic Gold Hotel, Off. C G Road, Ahmedabad-380009, Gujarat is the Registrars and Share Transfer Agents of the Company. The members are requested to please ensure that their shares are converted into Demat Form.
12. 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 the share certificates to Bigshare Services Private Limited, for consolidation into a single folio.



13. Pursuant the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in respect of the Directors seeking appointment/re-appointment at the Annual General Meeting, forms integral part of the Notice. The Directors have furnished the requisite declarations for their appointment/re-appointment.
14. Relevant documents referred to in the accompanying Notice are open for inspection by the members at the Registered Office of the Company on all working days, except Saturdays, between 11.00 a.m. to 1.00 p.m. up to the date of the Meeting.
15. The route map showing directions to reach the venue of the Thirty Fifth AGM is annexed.
16. Pursuant to Section 101 and Section 136 of the Companies Act, 2013 read with relevant provisions of Companies (Management and Administration) Rules, 2014, companies can serve annual reports and other communications through electronic mode to those members who have registered their e-mail address either with the company or with the depository. Hence, members are requested to provide their email address to the Company/the Registrar and Transfer Agent or update the same with their depositories to enable the Company to send the documents in electronic form.
17. Members who have not registered their e-mail addresses so far are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc. form the Company electronically.
18. Pursuant to the prohibition imposed vide Section 118 of the Companies Act, 2013 read with Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India, no gifts/coupons shall be distributed at the Meeting.
19. **E-voting**(Voting through Electronic means):
 - In compliance with the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, substituted by the Companies (Management and Administration)Amendment Rule, 2015 and Regulation 44 the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide members facility to exercise their right to vote at the 35th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by Central Depository Services India Limited (CDSL). Members if the Company holding shares either in the physical form or in Dematerialized form, as on cut-off date i.e. 21st September, 2019 may cast their vote by electronic means or in the Annual General Meeting (AGM). The detailed process instruction and manner for e-voting facility is enclosed herewith.
 - The Company shall also arrange for the physical voting by use of ballot or polling paper at the AGM for the members who have not cast their vote through remote e-voting.
 - The Members who have cast their vote by remote e-voting may also attend the Annual General Meeting (AGM), but shall not be entitled to cast their vote again.
 - The remote e-voting period commences on Tuesday, 24th September, 2019 (9:00 a.m.) and ends on Thursday, 26th September, 2019 (5:00 p.m.). During this period, Members holding shares either in physical form or demat form, as on 21st, September, 2019 i.e. cut-off date, may cast their vote electronically. The e-voting module shall be disabled for voting thereafter. Once the vote on a resolution is cast by the Member, he/ she shall not be allowed to change it subsequently or cast vote again.



- The voting rights of Members shall be in proportion to their shares in the paid up equity share capital of the Company as on cutoff date. A person, whose names is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on cutoff date only shall be entitled to avail facility of remote e-voting and poll process at the venue of the Meeting.
- Any person, who acquires shares of the Company and becomes a Member of the Company after dispatch of the Notice and holding shares as on cutoff date, may cast vote after following the instructions for e-voting as provided in the Notice convening the Meeting, which is available on the website of the Company and CDSL. However, if you are already registered with CDSL for remote e-voting then you can use your existing User ID and password for casting your vote.
- The Board of Directors has appointed Mr. Mukesh H. Shah, Practicing Company Secretary [COP No.2213] as a Scrutinizer to scrutinize the voting and remote e-voting process in a fair and transparent manner.
- The Scrutinizer shall, immediately after the conclusion of voting at the meeting, would count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and make, not later than three days of conclusion of the meeting, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman, who shall countersign the same.
- The results declared along with the Scrutinizer's Report shall be placed on the Company's website www.anjanisynthetics.com and on the website of CDSL www.evotingindia.com immediately after the result is declared. The Company shall simultaneously forward the results to BSE Limited, where the equity shares of the Company are listed.

The instructions for members for voting electronically are as under: (EVSN- 190812025)

- (i) The voting period begins on Tuesday, 24th September, 2019 (9:00 a.m.) and ends on Thursday, 26th September, 2019 (5:00 p.m.). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. 21st September, 2019, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) The Shareholders should Log on to the e-voting website www.evotingindia.com
- (iv) Click on "Shareholders" tab.
- (v) Now Enter your User ID
 - For CDSL: 16 digits beneficiary ID,
 - For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - Members holding shares in Physical Form should enter Folio Number registered with the Company
- (vi) Next enter the image verification Code as displayed and Click on Login.
- (vii) If you are holding shares in Demat form and had logged on to www.evotingindia.com and casted your vote earlier for EVSN of any Company, then your existing password is to be used.



(viii) If you are a first time user follow the steps given below.

For Members 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) Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN Field. In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field
DOB	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details OR Date of Birth	Enter the Dividend Bank Details or Date of Birth in format (DD/MM/YYYY) 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).

- (ix) After entering these details appropriately, click on "SUBMIT" tab.
- (x) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xii) Click on EVSN of the Company i.e. **190812025** to vote.
- (xiii) On the voting page, you will see **RESOLUTION DESCRIPTION** and against the same the option "**YES/ NO**" for voting. Select the option **YES or NO** as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiv) Click on the "**RESOLUTIONS FILE LINK**" if you wish to view the further description/ entire Resolutions.
- (xv) 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.
- (xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xviii) If Demat account holder has forgotten the changed password, then enter the User ID and image verification Code click on Forgot Password & enter the details as prompted by the system.



- (xix) Shareholders can also use Mobile app - “m-Voting” for e voting. m-Voting app is available on IOS, Android & Windows based Mobile. Shareholders may log in to m-Voting using their e voting credentials to vote for the company resolution(s)
- (xx) Note for Non-Individual Shareholders and Custodians:
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian 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 a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
 - The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xxi) 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 write an email to helpdesk.evoting@cdslindia.com

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	REGISTRAR & SHARE 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 2019-20 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 2019-20.

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 provisions of Sections 149,152 and other applicable provisions of the Companies Act, 2013 ("the Act") and the rules made there under (including any statutory modification (s) or re-enactment thereof) read with the Listing Regulations, Mr. Gopal Sanwormal Pansari (DIN: 08226713) who was appointed as an Additional Independent Director of the Company with effect from 12th October, 2018 and whose term expires at ensuing general meeting is proposed to be appointed as Non-Executive Independent director of the Company to hold office for a term up to five consecutive years commencing from 12th October, 2018.

An ordinary resolution in terms as set out in item no.5 of the accompanying Notice is placed before the members in the meeting for approval.

Except Mr. Gopal Sanwormal Pansari, being appointee none of the other Directors/key managerial personnel of the Company or their relatives are, in any way, concerned or interested, financially or otherwise, in these resolutions at item no.5 of the notice.

Item No. 6:

Pursuant to the provisions of Sections 149,152 and other applicable provisions of the Companies Act, 2013 ("the Act") and the rules made there under (including any statutory modification (s) or re-enactment thereof) read with the Listing Regulations, Ms. Garima Jain (DIN: 08456031) who was appointed as an Additional Independent Director of the Company with effect from 15th June, 2019 and whose term expires at ensuing general meeting is proposed to be appointed as Non-



Executive Woman Independent director of the Company to hold office for a term up to five consecutive years commencing from 15th June, 2019.

An ordinary resolution in terms as set out in item no. 6 of the accompanying Notice is placed before the members in the meeting for approval.

Except Ms. Garima Jain, being appointee none of the other Directors/key managerial personnel of the Company or their relatives are, in any way, concerned or interested, financially or otherwise, in these resolutions at item no.6 of the notice.

Item No. 7:

Mr. Bhoorsingh Bagsingh Parihar was appointed as an Additional Director of the Company, as recommended by the Nomination and Remuneration Committee ("NRC"), with effect from 12th October, 2018, by the Board of Directors under Section 161 of the Act. In terms of Section 161(1) of the Act, Mr. Bhoorsingh Bagsingh Parihar holds office only upto the date of the forthcoming AGM of the Company but is eligible for appointment as a Director.

He is a commerce graduate. He has vast experience in the field of Securities market. The board considers his continued association would be of immense benefit to the company and it is desirable to continue to avail services of Mr. Bhoorsingh Bagsingh Parihar.

An ordinary resolution in terms as set out in item no.7 of the accompanying Notice is placed before the members in the meeting for approval.

Except Mr. Bhoorsingh Bagsingh Parihar, being appointee none of the other Directors/key managerial personnel of the Company or their relatives are, in any way, concerned or interested, financially or otherwise, in these resolutions at item no.7 of the notice.

Item No.8:

Pursuant to the provisions of Sections 149,152 and other applicable provisions of the Companies Act, 2013 ("the Act") and the rules made there under (including any statutory modification (s) or re-enactment thereof) read with the Listing Regulations, Mr. Sourabh Vijay Patawari (DIN: 08364509) who was appointed as an Additional Independent Director of the Company with effect from 28th February, 2019 and whose term expires at ensuing general meeting is proposed to be appointed as Non-Executive Independent director of the Company to hold office for a term up to five consecutive years commencing from 28th February, 2019.

An ordinary resolution in terms as set out in item no.8 of the accompanying Notice is placed before the members in the meeting for approval.

Except Mr. Sourabh Vijay Patawari, being appointee none of the other Directors/key managerial personnel of the Company or their relatives are, in any way, concerned or interested, financially or otherwise, in these resolutions at item no.8 of the notice

Item No.9:

Pursuant to the first proviso 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 three years.

Sr. No.	Name of the Party	Nature of Interest/relationship	Nature of Transaction	Value estimate transaction per contract
1	Virat Spinners Private Limited	Associate Company	PurchaseSales	Rs. 100 lacs Rs. 100 lacs
2	Virat Weaving Private Limited	Associate Company	PurchaseSales	Rs. 300 Lacs Rs. 300 lacs
3	Aakruti Textile	Associate Concern	PurchaseSales	Rs. 500 lacs Rs. 500 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 : 09.08.2019

**[VASUDEV S. AGARWAL]
CHAIRMAN & MD
DIN: 01491403**



ANNEXURE TO NOTICE

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

Name of the Director	Vasudev S. Agarwal	Garima Jain	Sourabh Vijay Patawari	Bhoorsingh Bagsingh Parihar	Gopal Sanwarmal Pansari
DIN	01491403	08456031	08364509	01612692	08226713
Date of Birth	19.11.1968	25.10.1991	09.03.1989	28.06.1968	23.11.1964
Date of appointment	03.06.2005	15.06.2019	28.02.2019	12.10.2018	12.10.2018
Qualifications	Graduate	B. Tech	B.Com, LLB, CS	Graduate	Graduate
Directorship	Nil	Nil	Aarnav Fashions Limited	Nil	Nil
Memberships/ Chairmanships of Committee of other public companies	Nil	Nil	Nil	Nil	Nil
Number of shares held in the Company	2383600	Nil	Nil	Nil	Nil
Expertise in Specific Area	Marketing Production & Finance	Software and Computer	Accounts & Legal	Factory & Legal Management	Finance & Accounts

By order of the Board,
For, ANJANI SYNTHETICS LIMITED

PLACE : AHMEDABAD

DATE : 09.08.2019

[VASUDEV S. AGARWAL]
CHAIRMAN & MD
DIN: 01491403

**DIRECTORS' REPORT**

Dear Members,

The Directors of your company have great pleasure in presenting the Thirty Fifth Annual Report together with the audited financial statements of your Company for the financial year ended on 31st March 2019.

FINANCIAL SUMMARY

The summary of the company's financial performance of the Company during the financial year 2018-19 as compared to the previous financial year 2017-18 is given below:

[Rupees in Lacs]

Particulars	Financial Year 2018-19	Financial Year 2017-18
Revenue from operations (Net)	30694.53	34380.31
Other income	84.67	242.86
Total Revenue	30779.20	34623.17
Expenses		
(a) Cost of materials consumed	19859.52	25308.36
(b) Purchases of stock-in-trade	—	—
(c) Changes in inventories of FG, WIP & Stock-in-Trade	(444.50)	(1710.99)
(d) Employee benefits expense	978.11	751.83
(e) Finance costs	760.22	807.99
(f) Depreciation and amortization expense	536.03	458.26
(g) Other expenses	8635.16	8512.30
Total Expenses	30324.54	34127.75
Profit/ (Loss) before tax	454.66	495.42
Tax expense:		
(a) Current tax expense	161.88	178
(b) Deferred tax	(7.67)	(8.41)
(c) Excess Provision of Tax for earlier Years	0.35	12.11
Profit / (Loss) for the year	300.10	313.72
Earnings per share (face value Rs.10/-) Basic & Diluted	2.03	2.13

OPERATIONS REVIEW:

The Company's total revenue from operations during the financial year ended 31st March 2019 were Rs. 30694.53 Lacs as against Rs. 34380.31 Lacs of the previous year with total expenses of Rs.30324.54 Lacs (previous year of Rs. 34127.75 lacs). The Company has made Net Profit of Rs.300.10 Lacs as against Rs.313.72 Lacs of the previous year after considering Depreciation and Provision for Tax .



The EPS of the Company for the year 2018-19 is Rs. 2.03. The Management is looking forward to get better result in next year and increase in Profit.

DIVIDEND:

No dividend has been recommended in respect of the financial year ended 31st March, 2019 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.1133.75 Lacs (previous year of Rs. 1360.33 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 thereunder.

SHARE CAPITAL:

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, 2019 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, 2019 stood at Rs. 14,75,00,000/-(Face value Rs.10/- each)

DIRECTORS:

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 have appointed Mr. Bhoorsingh Bagsingh Parihar as an additional director of the Company and Mr. Gopal Sanwarmal Pansari as an additional independent director of the company w.e.f. 12th October, 2018 subject to the approval of shareholders in the ensuing general meeting.

Moreover Board has also appointed Mr. Sourabh Vijay Patawari as an additional independent director of the company w.e.f. 28th February, 2019 and Ms. Garima Jain as an additional independent director of the company w.e.f. 15th June ,2019 subject to the approval of shareholders in the ensuing general meeting.

Mr. Rakesh Agarwal resigned as Director (Non-executive & independent) of the Company w.e.f 28th February, 2019 respectively. The board places on record its deep appreciation for the valuable services rendered as well as advice and guidance provided by Mr. Rakesh Agarwal during his tenure as Directors of the Company.

During the year Mr. Govindprasad Madanchand Goyal and Mrs. Pooja Sanjay Sharma resigned from as Director (Non-executive & independent) of the Company w.e.f. 12th October, 2018 and 15th June, 2019 respectively

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.

As per the provisions of Section 152 of the Companies Act, 2013 and Articles of Association of the Company, Mr. Vasudev S. Agarwal [DIN: 01491403] being longest in the office shall retire at the ensuing Annual General Meeting and being eligible offers him-self for re-appointment.



The Board recommends the appointment/re-appointment of above directors for your approval.

Brief details of Directors proposed to be appointed/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

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.

INDEPENDENT DIRECTORS' MEETING

The Independent Directors met on the 13th February, 2019, 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.

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, 2019 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, 2019 and the date of Director's Report i.e. 09.08.2019.

LISTING WITH STOCK EXCHANGE:

The Company confirms that it has paid the Annual Listing Fees for the year 2018-19 to BSE where the Company's Shares are listed.

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, 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.

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.

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.

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.

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 2018-19, the Company has not received any complaints on sexual harassment.

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.

BOARD EVALUATION:

Pursuant to the provisions of the Companies Act, 2013 and Regulation 17 and Regulation 25 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a structured questionnaire was prepared after taking into consideration of the various aspects of the Board's functioning, Composition of the Board and Committees, culture, execution and performance of specific duties, obligation and governance.

The performance evaluation of the Independent Directors was completed.

During the financial year under review, the Independent Directors met on 13th February, 2019 inter-alia, to discuss:

- Performance evaluation of Non Independent Directors and Board of Directors as a whole;
- Performance evaluation of the Chairman of the Company;
- Evaluation of the quality of flow of information between the Management and Board for effective performance by the Board.

The Board of Directors expressed their satisfaction with the evaluation process.

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

The information required under Section 197 of the Companies Act, 2013 read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are as follows:

Remuneration Ratio of Directors/ KMP/ Employees:

Name	Designation	Remuneration Paid		+/- in remuneration from previous year (Rs.)	Ratio/ Times per Median of employer emuneration
		FY 2018-19 (Rs in lacs)	FY 2017-18 (Rs in lacs)		
VASUDEV S. AGARWAL	CMD	24,00,000	24,00,000	—	273.07/2.73
BHOORSINGH B. PARIHAR	DIRECTOR	1,59,030	—	+ 1,59,030	18.09/0.18
MANOHARLAL I. SHARMA	CFO	5,68,100	5,03,100	+ 65,000	64.64/0.65
**KONARK PATEL	CS	69,086	—	+ 69,086	7.86/0.07

**Konark Patel appointed on 12th October, 2018 and resigned on 10th April, 2019

Median remuneration of employees was Rs. 878876/- during the year 2018-19

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 rolls of Company: 244 (Two Hundred Forty Four) as on 31st March, 2019.

The remuneration paid to all Key management Personnel was in accordance with remuneration policy adopted by the Company.

CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

All the related party transactions that were entered during the financial year were in the Ordinary course of business of the Company and were on arm's length basis. There were no materially significant related party transactions entered by the Company with its Promoters, Directors, Key Managerial Personnel or other persons which may have potential conflict with the interest of the Company.

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

The particulars of contracts or arrangements with related parties referred to in Section 188(1) of the Companies Act, 2013, as prescribed in **Form AOC-2**.



INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY

Your Company has laid down the set of standards, processes and structure which enables to implement internal financial control across the Organization and ensure that the same are adequate and operating effectively. To maintain the objectivity and independence of Internal Audit, the Internal Auditor reports to the Chairman of the Audit Committee of the Board.

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.

AUDITORS

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.

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, 2019 does not contain any qualification, observation or adverse comment.

Statutory Auditor's Report:

The Statutory Auditors' Report on the accounts of the Company for the accounting year ended 31st March, 2019 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.

Internal Auditors:

M/s. Kamal M. Shah & Co., Chartered Accountants, Ahmedabad has been appointed as Internal Auditors of the Company. 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 quarterly basis. The scope of internal audit is approved by the Audit Committee.

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 2019-20.



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 2019-20 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 2018-19 was filed within the due date. The due date for submission of the Cost Audit Report for the financial year 2018-19 is within 180 days from 31st March, 2019.

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 2018-19 is annexed to this Annual Report as **Annexure-III**.

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, 2019, 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, 2019 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.

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. Issue of Equity Shares with differential rights as to dividend, voting or otherwise.
3. Issue of shares (including sweat equity shares) to employees of the Company under any scheme save and ESOS.
4. Neither the Managing Director nor the Whole-time Directors of the Company receive any remuneration or commission from any of its subsidiaries.
5. 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 also wish to place on record their deep sense of appreciation for the committed services by the executives, staff and workers of the Company.

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

PLACE : AHMEDABAD

DATE : 09.08.2019

**[VASUDEV S. AGARWAL]
CHAIRMAN & MD
DIN: 01491403**



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 2018-19. 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

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

PLACE : AHMEDABAD

DATE : 09.08.2019

**[VASUDEV S. AGARWAL]
CHAIRMAN & MD
DIN: 01491403**



ANNEXURE-I
FORM NO. MGT-9

EXTRACT OF ANNUAL RETURN AS ON THE FINANCIAL YEAR ENDED ON 31ST MARCH, 2019
[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 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 (01.04.2018)				No. of Shares held at the end of the year (31.03.2019)				% 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	9709940	0	9709940	65.83	10206375	0	10206375	69.20	3.37
	b Central Govt.									
	c State Govt.(s)									
	d Bodies Corp.	0	0	0	0.00	0	0	0	0.00	0.00
	e Banks / FI									
	f Any Other									
	Sub-total (A) (1):-	9709940	0	9709940	65.83	10206375	0	10206375	69.20	3.37
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)	9709940	0	9709940	65.83	10206375	0	10206375	69.20	3.37
B	Public Shareholding									
1	Institutions									
	a Mutual Funds									
	b Banks / FI									
	c Central Govt									
	d State Govt(s)									
	e Venture Capital Funds									
	f Ins. Companies									
	g FIs									
	h Venture Capital Funds									
	i Others									
	Sub-total (B) (1):-	0	0	0	0.00	0	0	0	0.00	0.00
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 (01.04.2018)				No. of Shares held at the end of the year (31.03.2019)				% Change during the year
		Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
i	holding shares upto Rs.1 lakh	918517	45615	964132	6.54	993447	43615	1037062	7.03	0.49
ii	holding shares above Rs.1 lakh	3237396	12000	3249396	22.03	2939613	12000	2951613	18.96	-3.07
	NBFC Reg. with RBI	0	0	0	0.00	0	0	0	0	0.00
c	Any Others	0	0	0	0.00	0	0	0	0	0.00
i	Bodies Corp.	770777	10	770787	5.23	506729	10	506739	3.44	-1.79
ii	Clearing Member	27279	0	27279	0.18	12151	0	12151	0.08	-0.10
iii	NRIs	14382	0	14382	0.10	23339	0	23339	0.16	0.06
iv	NRNR	14084	0	14084	0.10	12721	0	12721	0.09	-0.01
	Sub-total (B) (2):-	4982435	57625	5040060	34.17	4488000	55625	4543625	30.80	-3.37
	Total Public SH [(B)=(B)(1)+(B)(2))	4982435	57625	5040060	34.17	4488000	55625	4543625	30.80	-3.37
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)	14692375	57625	14750000	100.00	14694375	55625	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	810800	5.50	0.00	1006560	6.82	0.00	1.33
5	KAILASH SUBHKARAN AGARWAL HUF	877400	5.95	0.00	1022700	6.93	0.00	0.99
6	ANITA VASUDEV AGARWAL	519600	3.52	0.00	581255	3.94	0.00	0.42
7	SUBHKARAN TILOKCHAND AGARWAL HUF	739700	5.01	0.00	789455	5.35	0.00	0.34
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	268820	1.82	0.00	312785	2.12	0.00	0.30
	TOTAL	9709940	65.83	0.00	10206375	69.19	0.00	3.36



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 share
At the beginning of the year	9709940	65.83		
Increase in Shareholding during the year (Market Purchase)	496435	3.37	10206375	69.20
At the End of the year			10206375	69.20

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 1.4.2018		Change in shareholding during the year		Shareholding at the end of the year as on 31.3.2019	
		No. of shares	% of total shares	No. of shares	% of total shares	No. of shares	% of total shares
1	AAKRITI SYNTHETICS PRIVATE LIMITED	215411	1.46	0	0.00	215411	1.46
2	SANDIP CHANDRAKANT SHAH	210000	1.42	0	0.00	210000	1.42
3	BHAVINI S SHAH	200000	1.36	0	0.00	200000	1.36
4	ROOPA SUNIL MEHTA	200000	1.36	0	0.00	200000	1.36
5	SUNIL KANAIYALAL MEHTA	200000	1.36	0	0.00	200000	1.36
6	TANISHA GOPALKRISHNA GOYAL	191000	1.29	-191000	-1.29	0	0.00
7	SUBRAMANIAN P	164770	1.12	22680	0.15	187450	1.27
8	NARASIMHA SWAMY YALAMANCHILI	121761	0.83	58238	0.39	179999	1.22
9	SHUBHAMANGAL TRADERS PVT LTD	149123	1.01	-80847	-0.55	68276	0.46
10	SACHINKUMAR SANTKUMAR AGRAWAL	135000	0.92	0	0.00	135000	0.92

v. Shareholding of Directors and Key Managerial personnel

Sl. No.	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	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	0	0.00
	At the End of the year	—	—	2383600	16.16
2	BHOORSINGH BAGSINGH PARIHAR (Appt. 12.10.2018)				
	At the beginning of the year	0	0.00	0	0.00
	Date wise Increase/ Decrease in Shareholding during the year	0	0	0	0.00
	At the End of the year				



3	GOPAL SANWARMAL PANSARI(Appt. 12.10.2018)				
	At the beginning of the year	0	0.00	0	0.00
	Date wise Increase/ Decrease in Shareholding during the year	0	0	0	0.00
	At the End of the year				
4	SOURABH VIJAY PATAWARI(Appt. 28.02.2019)				
	At the beginning of the year	0	0.00	0	0.00
	Date wise Increase/ Decrease in Shareholding during the year	0	0	0	0.00
	At the End of the year				
5	RAKESH AGRAWAL(Resigned 28.02.2019)				
	At the beginning of the year	0	0.00	0	0.00
	Date wise Increase/ Decrease in Shareholding during the year	0	0	0	0.00
	At the End of the year				
6	GOVINDPRASAD MADANCHAND GOYAL (Resigned. 12.10.2018)				
	At the beginning of the year	0	0.00	0	0.00
	Date wise Increase/ Decrease in Shareholding during the year	0	0	0	0.00
	At the End of the year				
7	Mahavirprasad Santlal Dalmia (Resigned. 30.07.2018)				
	At the beginning of the year	0	0.00	0	0.00
	Date wise Increase/ Decrease in Shareholding during the year	0	0	0	0.00
	At the End of the year				
8	Pooja Sanjay Sharma				
	At the beginning of the year	0	0.00	0	0.00
	Date wise Increase/ Decrease in Shareholding during the year	0	0	0	0.00
	At the End of the year				
9	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	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	786499373	18708693	0	805208066
ii) Interest due but not paid	0	1308402	0	1308402
iii) Interest accrued but not due	0	0	0	0
Total (i+ii+iii)	786499373	20017095	0	806516468
Change in Indebtedness during the financial year				
Addition	0	0	0	0
Reduction	139743699	8934715	0	148678414
Net Change Indebtedness	-139743699	-8934715	0	-148678414
At the end of the financial year				
i) Principal Amount	646755674	11082380	0	657838054
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
Total (i+ii+iii)	646755674	11082380	0	657838054

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	Mahavir prasad Dalmia (Resigned on 30.07.2018)	Bhoorsingh B. Parihar (Appointed on 12.10.2018)	
a	Salary as per provisions contained in section 17(1) of the Income tax Act, 1961	2400000	650000	159030	3209030
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	650000	159030	3209030
	Ceiling as per the Act	10% of NP	10% of NP		



B. Remuneration to other directors:

Sl.No.	Particulars of Remuneration	Name of the other Directors			Total Amount
1	Independent Directors	Mr. Rakesh N. Agarwal (Resigned on 28.02.2019)	Mrs. Pooja Sharma	Mr. Govind Prasad Goyal (Resigned on 12.10.2018)	
	Fee for attending board / committee meetings	20000	20000	20000	60000
	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)				60000
	Total Managerial Remu.(A+B)				3269030
	Overall Ceiling as per the Act				

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

Sl.No.	Particulars of Remuneration	Key Managerial Personnel			Total Amount
1	Gross Salary	Manoharlal Sharma (CFO)	CS Rushabh M Shah (resigned on 30.09.2018)	CS Konark P Patel (resigned on 10.04.2019)	
a	Salary as per provisions contained in section 17(1) of the Income tax Act, 1961	568100	72900	69086	710086
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	568100	72900	69086	710086
	Ceiling as per the Act	NA	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, 2019

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

Place : Ahmedabad

Date : 09.08.2019

[VASUDEV S. AGARWAL]

CHAIRMAN & MD

DIN : 01491403

**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:

The Company has no specific Research & Development Department. However, 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	2018-19	2017-18
a) Foreign Exchange Earnings	113375014	43607902
b) CIF Value of Imports	9843647	16453865
c) Expenditure in Foreign Currency	Nil	Nil

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

PLACE : AHMEDABAD**DATE : 09.08.2019**

**[VASUDEV S. AGARWAL]
CHAIRMAN & MD
DIN: 01491403**

**ANNEXURE-III****SECRETARIAL AUDIT REPORT****For the financial year ended March 31, 2019****[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 our 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, 2019**, 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, 2019** 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 Environment (Protection) Act, 1986;
 - b) The Factories Act, 1948;
 - c) Employees Provident Funds & Misc. Provisions Act; and
 - d) The Air (Prevention and Control of Pollution) Act, 1981
 - e) The Water (Prevention and Control of Pollution) Act, 1974
 - f) The Contract Labour (Regulation and Abolition) Act, 1970 & its Central Rules/ concerned State Rules.

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India
- (ii) The 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; subject to the observations noted against each legislation.

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 at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- 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 : 09.08.2019

[MUKESH H. SHAH]

PROPRIETOR

CP. NO. 2213

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.



ANNEXURE-A

To the Members,

ANJANI SYNTHETICS LIMITED

221 (Maliya), New Cloth Market,

O/s Raipur Gate,

Ahmedabad-380002, Gujarat, India

Our secretarial audit report for the financial year 31st March, 2019 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. Our Responsibility is to express an opinion on these secretarial records, standards and procedures followed by the company with respect to secretarial compliances.
3. We 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, we 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. We 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 : 09.08.2019

[MUKESH H. SHAH]

PROPRIETOR

CP. NO. 2213



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 Company’s philosophy on Corporate Governance has been developed with a tradition of fair and transparent governance even before they were mandated by the legislation. Transparency, integrity, professionalism and accountability-based values form the basis of the Company’s philosophy for Corporate Governance. The Company believes that good Corporate Governance is a continuous process and strives to improve the Corporate Governance practices to meet shareholder’s expectations.

The Company’s corporate governance practices emanate from its commitment towards discipline, accountability, transparency and fairness. The Company’s has been diligently developing best practices to ensure its responsibility to the stakeholders.

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.

2. BOARD OF DIRECTORS:

The “Board”, being the trustee of the Company, responsible for the establishment of cultural, ethical and accountable growth of the Company, is constituted with a high level of integrated, knowledgeable and committed professionals. The Board provides strategic guidance and independent views to the Company’s senior management while discharging its fiduciary responsibilities.

(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.

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.

(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 2018-19 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 Directors and Board Meetings:**

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. Every Director on the Board is free to suggest any item for inclusion in the agenda for the consideration of the Board. The Board Meetings are generally held at the Registered Office 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 were convened and held on 30.05.2018, 13.08.2018, 12.10.2018, 03.11.2018, 13.02.2019 and 28.02.2019.

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 it's its approval.

The Performance evaluation of Independent Directors has been evaluated by the Board of Directors in its Board Meeting held on 13.02.2019 for the financial year 2018-19 pursuant to Regulation 17(10) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

A separate Meeting of Independent Directors was held on 13.02.2019 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 2018-19:

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 Director (01612692) (Appointed on 12.10.2018)	Executive Director	6	3	No	—	—	—



Pooja S. Sharma-Director (07198180)	Independent & Non-Executive	6	6	Yes	—	—	—
Gopal Sanwormal Pansari-Director (07642571) (Appointed on 12.10.2018)	Independent & Non-Executive	6	3	No	—	—	—
Rakesh Agrawal-Director (02748666) (Resign w.e.f. 28.02.2019)	Independent & Non-Executive	6	6	Yes	—	—	—
Mr. Mahavir Prasad S. Dalmia - Wtd (02884037) (Resign w.e.f. 30.07.2018)	Executive Director	6	1	Yes	—	—	—
Govind Prasad Madanchand Goyal - Director (07642571) (Resign w.e.f. 12.10.2018)	Independent & Non-Executive	6	3	Yes	—	—	—

*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.

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.

None of the Independent Director of the Company is holding position of Independent Director in more than 7 (Seven) Listed Company. 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.

(D) Disclosure of relationships between Directors inter-se: None of the Directors are related to each other.

(E) 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, 2019 are as under:

Sr.No	Name of Non-Executive Director	No. of Shares held	% Held
2.	Mr. Gopal Sanwormal Pansari (Appointed 12.10.2019)	Nil	0.00
3.	Mr. Pooja S. Sharma	Nil	0.00
4.	Mr. Sourabh Patawari (Appointed 28.02.2019)	Nil	0.00

(F) 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.

(G) 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, 2019.

(H) 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. Rakesh Agrawal, 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. Rakesh Agarwal, 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 30.05.2018, 13.08.2018, 03.11.2018 and 13.02.2019 attendance of the members as under:

Name of the Member	Designation	Category	No. of Meeting attended	
			Held	Attended
Rakesh Agrawal (Resign w.e.f. 28.02.2019)	Chairman	Non-Executive & Independent Director	4	4
Gopal Sanwormal Pansari (Appointed on 12.10.2018)	Member	Non-Executive & Independent Director	4	2
Pooja S. Sharma	Member	Non-Executive & Independent Director	4	2
Govindprasad Madanchand Goyal (Resign w.e.f. 12.10.2018)	Member	Non-Executive & Independent Director	4	2

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.

(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. Rakesh Agrawal, 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 30.05.2018, 13.08.2018, 03.11.2018 and 13.02.2019 attendance of the members as under:

Name of the Director	Designation	Category	No. of Meeting attended	
			Held	Attended
Rakesh Agrawal (Resign w.e.f. 28.02.2019)	Chairman	Non-Executive & Independent Director	4	4
Gopal Sanwormal Pansari (Appointed on 12.10.2018)	Member	Non-Executive & Independent Director	4	2
Pooja S. Sharma	Member	Non-Executive & Independent Director	4	4
Govindprasad Madanchand Goyal (Resign w.e.f. 12.10.2018)	Member	Non-Executive & Independent Director	4	2

**Terms of reference and complains:**

The Stakeholders' Relationship Committee deals with the matter of redressal of Shareholders and Investors complaints for transfer of shares, non-receipt of balance sheet and non-receipt of declared dividend, etc.

The Board has delegated the said powers for approving transfer and transmission of shares and issue of duplicate shares to Transfer Committee. The status of transfer, duplicate etc., is periodically reported to the Committee. Other details for shareholders have been provided separately in Shareholders' Information.

- 1) Name of Non-executive Director heading the Committee: Mr. Rakesh Agrawal.
- 2) Number of shareholders' complaints received: During the year 2018-19, 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, 2 (two) Nomination and Remuneration Committee Meetings were held as on 13.08.2018, 13.02.2019. 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 Director	Designation	Category	No. of Meeting attended	
			Held	Attended
Rakesh Agarwal (Resign w.e.f. 28.02.2019)	Chairman	Non-Executive & Independent Director	2	2
Gopal Sanwaramal Pansari (Appointed on 12.10.2018)	Member	Non-Executive & Independent Director	2	1
Pooja S. Sharma	Member	Non-Executive & Independent Director	2	2
Govindprasad Madanchand Goyal (Resign w.e.f. 12.10.2018)	Member	Non-Executive & Independent Director	2	1

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 2018-2019 to all the Directors are as follows.

(Rs. In Lacs)

Name of Director	Status Category	Sitting Fees					Remuneration Fixed Salary	Total
		BM	AC	SGRC	NRC	IDM		
Vasudev S. Agarwal	ED	-	-	-	-	-	24.00	24.00
Bhoorsingh Bagsingh Parihar	ED	-	-	-	-	-	1.59	1.59
Rakesh Agarwal	ID&NED	0.20	-	-	-	-	-	0.20
Gopal Sanwormal Pansari (Appointed on 12.10.2018)	ID&NED	-	-	-	-	-	-	-
Pooja Sharma	ID&NED	0.20	-	-	-	-	-	0.20
Govind Prasad Goyal (resigned on 12.10.2018)	ID & NED	0.20	-	-	-	-	-	0.20
Total								26.19

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. 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.
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
2015-16	32 nd	Plot No.140, Saijpur Gopalpur, Pirana Road, Piplej, Ahmedabad-382405	27.09.2016	11.00 A.M.

No Extra-Ordinary General Meeting was held during the financial year 2018-19.

**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
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
2015-16 (AGM)	1. Maintaining & keeping the Company's Registers required to be maintained U/s.88 of the Companies Act,2013 & copies of annual returns filed under Section 92 of the Companies Act,2013 or any one or more of them, at a place other than the Company's Registered Office	27.09.2016

C. Postal Ballot:

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

6. 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:

30th June, 2018	45 days from end of Quarter 30th June, 2018
30th September, 2018	45 days from end of Quarter 30th September, 2018
31st December, 2018	45 days from end of Quarter 31st December, 2018
Audited Results for the year ended on 31st March, 2019	60 days from end of Financial Year (i.e. on or before 30th May, 2019) (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 Corporates.



7. GENERAL INFORMATION FOR SHAREHOLDERS

Date of Incorporation of the Company	28th day of June, 1984
Financial year	01.04.2018 to 31.03.2019
Day, date and time of AGM	Friday, 27th September, 2019 at 11.00 a.m.
Venue of Annual General Meeting	Plot No.140, Saijpur, Gopalpur, Pirana Road, Piplej, Ahmedabad-382405, Gujarat, (INDIA)
Dates of Book Closure	21.09.2019 to 27.09.2019(both days inclusive)
Cut-off Date for E-voting	21.09.2019

a) LISTING ON STOCK EXCHANGE/S

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

c) 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, 2018	37.90	28.00
May, 2018	34.00	24.15
June, 2018	29.00	22.05
July, 2018	23.95	18.35
August, 2018	27.25	18.20
September, 2018	23.00	16.30
October, 2018	20.95	16.10
November, 2018	20.35	15.60
December, 2018	17.70	15.55
January, 2019	22.00	15.00
February, 2019	19.75	15.00
March, 2019	18.45	15.00



d) SHAREHOLDING PROFILE:

Mode of Holding	As on 31st March, 2019		As on 31st March, 2018	
	No. of Shares	% to Equity	No. of Shares	% to Equity
Demat	14694375	99.62	14692375	99.61
Physical	55625	0.38	57625	0.39
Total	14750000	100.00	14750000	100.00

e) SHAREHOLDING PATTERN (AS OF 31ST MARCH 2019)

Sr. No.	Categories	No. of shares	% of total holding
A	Promoters Holding		
	Promoter & Promoter Group		
	Indian	10206375	69.20
	Foreign	-	-
B	Non-Promoter Holding		
	Institutional :		
	Mutual Fund	-	-
	Non-Institutional :		
	Bodies Corporate	506739	3.44
	Individuals :		
	Capital upto Rs.2 Lacs	1191442	8.08
	Capital greater than Rs.2Lacs	2797233	18.96
	Any Others :		
	Clearing Member	12151	0.08
	NRIs	36060	0.24
	Total	14750000	100.00

f) DISTRIBUTION OF SHAREHOLDING AS ON 31.03.2019

Share Balance	Holders	% of Total	Total Shares	% of Total
Upto 1- 5000	1545	74.71	1983250	1.34
5001- 10000	206	9.96	1692960	1.15
10001- 20000	116	5.61	1862020	1.26
20001- 30000	51	2.47	1324770	0.90
30001- 40000	24	1.16	842990	0.57
40001- 50000	21	1.02	1009190	0.68
50001- 100000	36	1.74	2426040	1.64
100001- 999999999	69	3.34	136358780	92.45
TOTAL	2068	100.00	147500000	100.00

**g) 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

h) 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

i) 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.

j) 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.

k) 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

l) 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 2019.

m) 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

n) 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.

o) 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.

8. 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 Exchanges 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.

9. 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 : 09.08.2019

**[VASUDEV S. AGARWAL]
CHAIRMAN & MD
DIN: 01491403**



MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Your Directors have pleasure in presenting the management discussion and analysis report for the year ended on March 31, 2019.

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 it's 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.

2. 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.

3. 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.

4. OUTLOOK:

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

5. RISK & CONCERNS:

The Company is exposed to specific risks that are particular to its business, including interest rate volatility, economic cycle, market risk and credit risk. The management continuously assesses the risks and monitors the business and risk management policies to minimize the risk.

6. 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. 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. Kamal M. Shah & Co, Chartered Accountants as the Internal Auditors of the Company for the FY 19-20.



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

During the year, the Company has recorded a turnover of Rs. 30779.20 Lacs as compared to Rs. 34623.17 Lacs in the previous year. The Company has made net profit of Rs. 300.10 Lacs as compared to Rs. 313.72 Lacs of the previous year after providing depreciation, tax, etc. for the year ended 31st March, 2019.

8. HUMAN RESOURCE DEVELOPMENT:

The Company believes that the human resources are vital in giving the Company a Competitive edge in the current business environment. The Company's philosophy is to provide congenial work environment, performance oriented work culture, knowledge acquisition / dissemination, creativity and responsibility. 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.

9. CAUTIONERY STATEMENT:

Statements in this report on Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations or predictions may be "forward-looking statements" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied.

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

PLACE : AHMEDABAD

DATE : 09.08.2019

**[VASUDEV S. AGARWAL]
CHAIRMAN & MD
DIN: 01491403**



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, 2019 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 2018-19, 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 & MD
DIN: 01491403

[MANOHARLAL I. SHARMA]
CHIEF FINANCIAL OFFICER

Place : AHMEDABAD

Date : 09.08.2019



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, 2019 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 01.04.2018 to 31.03.2019.

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 : 09.08.2019

[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, 2019 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

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 Secretaries

Place : Ahmedabad

Date : 09.08.2019

[MUKESH H. SHAH]
PROPRIETOR
CP. NO. 2213



Independent Auditors' Report

To the Members of

M/S. ANJANI SYNTHETICS LIMITED

Report on the Standalone Financial Statements

Opinion

I have audited the accompanying standalone financial statements of **M/S. ANJANI SYNTHETICS LTD.** ("the Company"), which comprises the Balance Sheet as at March 31, 2019, 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 my opinion and to the best of my information and according to the explanations given to me, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 in the manner so required and give a true and fair view in conformity with the Indian accounting Standards prescribed under section 133 of the Act read with the companies (Indian Accounting standards) Rule, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2019 and its profit & total Comprehensive Income, Changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

I conducted my audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. My responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am 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 my audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and I have fulfilled my other ethical responsibilities in accordance with these requirements and the Code of Ethics. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Key Audit Matters

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

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

My 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 my 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 my 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, I 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, I report that:
 - a) I have sought and obtained all the information and explanations which to the best of my knowledge and belief were necessary for the purpose of my audit.
 - b) In my opinion proper books of account as required by law have been kept by the Company so far as appears from my 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 my 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, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 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 my separate Report in "Annexure C". My 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 my opinion and to the best of my information and according to the explanations given to me:



- 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 my Report of Even Date
For and on Behalf of
For, ABHISHEK KUMAR & ASSOCIATES
CHARTERED ACCOUNTANTS
FRN: 130052W**

**PLACE : AHMEDABAD
DATE : 30.05.2019**

**[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, I exercise professional judgment and maintain professional skepticism throughout the audit. I also:

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

I 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 I identify during my audit.

I also provide those charged with governance with a statement that I 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 my independence, and where applicable, related safeguards.

**As per my Report of Even Date
For and on Behalf of
For, ABHISHEK KUMAR & ASSOCIATES
CHARTERED ACCOUNTANTS
FRN: 130052W**

**PLACE : AHMEDABAD
DATE : 30.05.2019**

**[CA ABHISHEK AGARWAL]
PROPRIETOR
M. No.: 132305**



Annexure “B” to the Independent Auditor’s Report

The Annexure referred to in my Independent Auditor’s Report to the members of the Company on the financial statements for the year ended 31 March 2019, I 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 me, all the assets have not been physically verified by the management during the year but there is a regular programme of verification which, in my 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 me and on the basis of my 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 me, inventories have been physically verified during the year by the management at reasonable intervals. In my opinion, the frequency of verification is reasonable. As informed to me 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 my opinion and according to the information and explanations given to me, 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 me, 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 2017-18 during the year. I 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. I 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 me, no undisputed amounts payable in respect of afore mentioned dues were outstanding as at 31st March 2019 for a period of more than six months from the date they became payable.



- (b) According to the information and explanations given to me, 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 my opinion and according to the information and explanations given to me, 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 my opinion and according to the information and explanations given to me, the Term loans have been applied for the purpose for which they were obtained.
- (x) According to the information and explanation given to me, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of my audit.
- (xi) According to the information and explanations give to me and based on my 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 my opinion and according to the information and explanations given to me, 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 me and based on my 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 me and based on my 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 me and based on my 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 my Report of Even Date
For and on Behalf of
For, ABHISHEK KUMAR & ASSOCIATES
CHARTERED ACCOUNTANTS
FRN: 130052W**

**PLACE : AHMEDABAD
DATE : 30.05.2019**

**[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, 2019, in conjunction with my 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

My responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on my audit. I conducted my 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 I 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.

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

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my 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 my 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 2019, 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 my Report of Even Date
For and on Behalf of
For, ABHISHEK KUMAR & ASSOCIATES
CHARTERED ACCOUNTANTS
FRN: 130052W**

**PLACE : AHMEDABAD
DATE : 30.05.2019**

**[CA ABHISHEK AGARWAL]
PROPRIETOR
M. No.: 132305**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2019****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.

Transition to New Standards

Ind AS 115, Revenue from contracts with customers was issued on 28 March 2018 and supersedes Ind AS 11, Construction Contracts and Ind AS 18, Revenue and it applies, with limited exception, to all revenue arising from contracts with its customers. Under Ind AS 115, revenue is recognized when a customer obtains control of goods or services. The Company has adopted Ind AS 115 using the cumulative effect method (without practical expedients) with the effect of initially applying this standard recognized at the date of initial application i.e. April 1, 2018. Accordingly, the comparative information i.e. information for the year ended 31 March 2018, has not been restated. Further, the Company did not have any impact on adoption of new standard Ind AS 115 on the transition date April 1, 2018 and for the year ended March 31, 2019.

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

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

The Company as a lessor

Amount due from the lessees under finance leases are recognized as receivables at the amount of the Company's net investment in the leases. Finance lease income is allocated to the accounting periods so as to reflect a constant periodic rate of return on the Company's net investment outstanding in respect of the leases.

Rental income from operating leases is recognized on straight-line basis over the term of the relevant lease. Initial direct cost incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognized on straight-line basis over the lease term.

The Company as a lessee

Assets held under finance leases are initially recognized as assets of the Company at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the balance sheet as a finance lease obligation.

Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance expenses are recognized immediately in Statement of Profit and Loss, unless they are directly attributable to qualifying assets, in which case they are capitalised in accordance with the Company's general policy on borrowing costs. Contingent rentals are recognized as expenses in the periods in which they are incurred.

Lease payments under an operating lease shall be recognized as an expense on a straight-line basis over the lease term unless either:

- a. another systematic basis is more representative of the time pattern of the user's benefit even if the payments to the lessors are not on that basis; or
- b. the payments to the lessor are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases. If payments to the lessor vary because of factors other than general inflation, then this condition is not met.

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.

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.

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 recognises 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; amortised 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
- 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:

- iii) 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.
- iv) Loan commitments and financial guarantee contracts: ECL is presented as a provision in the balance sheet, i.e. as a liability.
- v) 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.

XVIII. Standard issued not yet effective

Following are the new standards and amendments to existing standards (as notified by Ministry of Corporate Affairs (MCA) on 30th March, 2019) which are effective for annual period beginning after 1st April, 2019. The Company intends to adopt these standards or amendments from the effective date.

Ind AS 116 – Leases:

Ind AS 116 Leases replaces existing lease accounting guidance i.e. Ind AS 17 Leases. It sets out principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases, except short-term leases and leases for low-value items, under a single on-balance sheet lease accounting model. A lessee recognises a right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. Lessor accounting largely unchanged from the existing standard – i.e. lessors continue to classify leases as finance or operating leases.

Based on the preliminary assessment, the Company does not expect any significant impacts on transition to Ind AS 116. This assessment is based on currently available information and may be subject to changes arising from



further reasonable and supportable information when the standard will be adopted. The quantitative impacts would be finalised based on a detailed assessment which has been initiated to identify the key impacts along with evaluation of appropriate transition options.

There are no other standards, changes in standards and interpretations that are not in force up to reporting period that the Company expects to have a material impact arising from its application in its financial statements.

Amendments to existing Ind AS

The following amendments to existing standards are not expected to have a significant impact on the Company's financial statements. This assessment is based on currently available information and may be subject to changes arising from further reasonable and supportable information being made available to the Company when it will adopt the respective amended standards.

- 1) Amendment to Ind AS 23 Borrowing Costs
- 2) Amendment to Ind AS 28 Investments in Associate and Joint Ventures
- 3) Amendment to Ind AS 103 Business Combinations
- 4) Amendment to Ind AS 109 Financial Instruments
- 5) Amendment to Ind AS 111 Joint Arrangements

3. 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 recognition of MAT credit and evaluation of recoverability of deferred tax assets.
- Fair valuation of Investments

**In terms of our report attached
For, ABHISHEK KUMAR & ASSOCIATES
CHARTERED ACCOUNTANTS
FRN: 130052W**

**PLACE : AHMEDABAD
DATE : 30.05.2019**

**[CA ABHISHEK AGARWAL]
PROPRIETOR
M. No.: 132305**



Standalone Balance Sheet as at March 31, 2019

(Amount in INR)

Particulars	Notes	As at March 31,2019	As at March 31,2018
ASSETS			
Non-current assets			
Property, Plant and Equipment	4	219,740,466	227,646,115
Capital work-in-progress		4,519,696	9,050,471
Other intangible assets	5A	27,083,066	33,068,435
Financial assets			
(i) Investments	6	39,941,000	23,440,620
(ii) Loans	7	84,978	84,478
Total non-current assets		291,369,206	293,290,119
Current assets			
Inventories	8	679,320,441	656,259,999
Financial assets			
(i) Trade receivables	9	834,773,451	1,105,339,737
(ii) Cash and cash equivalents	10	12,703,973	3,511,395
Other current assets	11	189,673,150	144,662,679
Current tax assets (Net)		—	—
Total current assets		1,716,471,016	1,909,773,810
TOTAL ASSETS		2,007,840,222	2,203,063,929
EQUITY AND LIABILITIES			
Equity			
Equity share capital	12	147,500,000	147,500,000
Other equity	13	474,590,661	444,580,124
Total equity		622,090,661	592,080,124
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	14	34,330,040	70,774,161
Deferred tax liabilities (net)	15	2,284,405	3,051,165
Total non-current liabilities		36,614,445	73,825,326
Current liabilities			
Financial liabilities			
(i) Borrowings	16	623,508,014	735,742,307
(ii) Trade payables	17	—	—
- Total outstanding dues of micro enterprises and small enterprises		—	—
- Total outstanding dues of creditors other than micro enterprises and small enterprises.		601,405,924	532,385,830
(iii) Other financial liabilities	18	28,084,860	29,544,515
Other current liabilities	19	84,937,298	228,855,785
Provisions	20	10,495,457	8,756,089
Current tax liabilities (Net)	21	703,563	1,873,953
Total current liabilities		1,349,135,116	1,537,158,479
Total liabilities		1,385,749,561	1,610,983,805
TOTAL EQUITY AND LIABILITIES		2,007,840,222	2,203,063,929

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

For and on behalf of the Board

Vasudev S. Agarwal
(Managing Director)
(DIN-01491403)Bhoor Singh B. Parihar
(Director)
(DIN-01612692)Manoharlal Sharma
(Chief Financial Officer)

Place: Ahmedabad

Dated: 30.05.2019



Standalone Statement of Profit and Loss for the year ended March 31, 2019

(Amount in INR)

Particulars	Notes	For the year ended March 31, 2019	For the year ended March 31, 2018
I Revenue from operations	22	3,069,452,700	3,438,030,799
II Other income	23	8,466,795	24,286,448
III Total Income (I + II)		3,077,919,496	3,462,317,247
Expenses:			
Cost of materials consumed	24	1,985,951,913	2,530,835,837
Changes in inventories of finished goods (including stock in trade) and work-in- progress	25	(44,450,374)	(171,099,337)
Employee benefits expense	26	97,811,186	75,183,137
Finance costs	27	76,021,719	80,798,913
Depreciation and amortisation expense	5B	53,602,502	45,825,906
Other expenses	28	863,515,961	851,229,827
IV Total expenses		3,032,452,907	3,412,774,283
V Profit before tax (III-IV)		45,466,589	49,542,964
VI Tax expense:	37		
a) Current tax		16,187,885	17,800,000
b) Short provision for tax of earlier years		34,927	1,211,091
c) Deferred tax (credit)/charge		(766,760)	(841,003)
		15,456,052	18,170,088
VII Profit after tax (V-VI)		30,010,537	31,372,876
Other Comprehensive Income			
A (i) Items that will not be reclassified to profit or loss			
Remeasurment of the defined benefit plans		—	—
(ii) Income tax relating to items that will not be reclassified to profit or loss		—	—
B (i) Items that will be reclassified to profit or loss		—	—
(ii) Income tax relating to items that will be reclassified to profit or loss		—	—
VIII Total Other Comprehensive Income (A+B)		—	—
IX Total Comprehensive Income for the year (VII+VIII)		30,010,537	31,372,876
X Earnings per equity share			
Basic and Diluted (in Rs) (Face Value of Rs. 10/- each)	29	2.03	2.13

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

For and on behalf of the Board

Vasudev S. Agarwal
(Managing Director)
(DIN-01491403)Bhoor Singh B. Parihar
(Director)
(DIN-01612692)Manoharlal Sharma
(Chief Financial Officer)

Place: Ahmedabad

Dated: 30.05.2019

**Standalone Statement of changes in equity for the year ended March 31, 2019****A. Equity Share Capital****(Amount in INR)**

Particular	Total
Balance as at April 1, 2017	108,010,000
Changes in Equity Share Capital during the year 2017-18	39,490,000
Balance as at March 31, 2018	147,500,000
Changes in Equity Share Capital during the year 2018-19	-
Balance as at March 31, 2019	147,500,000

B Other Equity**(Amount in INR)**

Particulars	Reserves and Surplus				Item of Other Comprehensive income	Total
	Securities premium reserve	Capital Reserve	General reserve	Retained earnings	Remeasurement of net defined benefit plans	
Balance as at April 1, 2017	-	9,119,000	-	340,904,248	-	350,023,248
Profit for the year	-	-	-	31,372,876	-	31,372,876
Other comprehensive income for the year, net of income tax	-	-	-	-	-	-
Total comprehensive income for the year	-	-	-	31,372,876	-	31,372,876
Addition during the year	63,184,000	-	-	-	-	63,184,000
Balance as at March 31, 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/(loss) 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

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

For and on behalf of the Board

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

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

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

Place: Ahmedabad
Dated: 30.05.2019

Manoharlal Sharma
(Chief Financial Officer)



Notes forming part of the standalone financial statements

4 Property, plant and equipment

(Amount in INR)

Particulars	Building	Computer	Furniture & Fixture	Plant and machinery	Vehicles	Total
Cost or deemed cost						
Balance as at April 1, 2017	131,698,275	6,566,871	18,581,290	459,952,627	29,262,662	646,061,725
Additions	-	442,925	129,404	30,027,829	7,042,150	37,642,308
Disposals	-	-	-	65,720,162	8,089,087	73,809,249
Subsidy	-	-	-	11,449,625	-	11,449,625
Balance as at March 31, 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	19,268,124	430,319,307	28,218,809	616,730,695
Accumulated depreciation and impairment						
Balance as at April 1, 2017	68,230,132	6,088,488	16,347,158	289,759,020	16,300,547	396,725,345
Depreciation charge for the year	6,113,715	406,888	575,588	30,048,867	5,288,786	42,433,844
Disposals	-	-	-	60,964,292	7,395,853	68,360,145
Balance as at March 31, 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	17,441,406	274,392,410	18,500,706	396,990,229
Net book value						
At April 1, 2017	63,468,143	478,383	2,234,132	170,193,607	12,962,115	249,336,380
At March 31, 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



5A Other intangible assets

(Amount in INR)

Particulars	Megha Pipe Line	Total
Cost or deemed cost		
Balance as at April 01, 2017	11,400,000	11,400,000
Additions	30,222,856	30,222,856
Balance as at March 31, 2018	41,622,856	41,622,856
Additions	-	-
Balance as at March 31, 2019	41,622,856	41,622,856
Accumulated amortisation and impairment		
Balance as at April 1, 2017	5,162,359	5,162,359
Amortisation expense	3,392,062	3,392,062
Balance as at March 31 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
Net book value		
As at April 1, 2017	6,237,641	6,237,641
As at March 31, 2018	33,068,435	33,068,435
As at March 31, 2019	27,083,066	27,083,066

5B Depreciation and amortisation expense

(Amount in INR)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Depreciation and amortisation for the year ended on property, plant and equipment as per Note 4	47,617,133	42,433,844
Depreciation and amortisation for the year on Other intangible assets as per Note 5A	5,985,369	3,392,062
Total	53,602,502	45,825,906

6 Investments

Particulars	As at March 31, 2019	As at March 31, 2018
Investments at cost		
Investments in equity instruments		
Total investments at cost		
131250 (Prev. year 131250) Equity Shares of Rs. 10/- each Virat Spinners Pvt.Ltd.	12,500,000	12,500,000
60000 (Prev. year 49000) Equity Shares of Rs. 10/- each Parth International Pvt.Ltd.	1,491,000	490,000
115000 (Prev. year 115000) Equity Shares of Rs. 10/-each Mukund Fashion Pvt.Ltd.	1,150,000	1,150,000
400000 (Prev. year 150010) Equity Shares of Rs. 10/-each Virat Weaving Pvt.Ltd.	24,800,000	9,300,620
	39,941,000	23,440,620
Aggregate carrying value of unquoted investments	39,941,000	23,440,620
Aggregate amount of impairment in value of investments	-	-



7

Particulars	As at March 31, 2019	As at March 31, 2018
Security deposits	84,978	84,478
Total	84,978	84,478

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

Particulars	As at March 31, 2019	As at March 31, 2018
Raw Material Grey Cloth	148,548,601	147,085,702
Work in Progress Own	97,248,421	110,469,423
Work in Progress Job	7,984,380	27,114,652
Finished Goods	401,291,137	324,489,489
Colour Chemicals	10,451,864	30,477,604
Yarn	1,762,487	1,762,487
Packing Materials	1,983,472	1,066,839
Stores & Spares	8,581,254	7,771,229
Coal & Fire Wood	1,468,824	6,022,574
Total	679,320,440	656,259,999

9 Trade receivables

Particulars	As at March 31, 2019	As at March 31, 2018
Unsecured, considered good	834,773,451	1,105,339,737
Total	834,773,451	1,105,339,737

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, 2019	As at March 31, 2018
< 180 days	791,990,220	1,066,959,730
More than 180 days	42,783,231	38,380,007
Total	834,773,451	1,105,339,737

Movement in the expected credit loss allowance on trade receivable

Particulars	As at March 31, 2019	As at March 31, 2018
Balance at beginning of the year	-	-
Loss allowance calculated at lifetime expected credit losses	-	-
Balance at the end of the year	-	-

**10 Cash and cash equivalents**

Particulars	As at March 31, 2019	As at March 31, 2018
(a) Cash on hand	788,127	368,146
(b) Balances with banks : Current Accounts	10,621,829	20,321
(c) F.D. with Punjab National Bank	1,294,017	3,122,928
Total	12,703,973	3,511,395

11 Other current assets

Particulars	As at March 31, 2019	As at March 31, 2018
<u>Unsecured, considered good, unless otherwise stated</u>		
(a) Advances recoverable in cash or in kind		
Considered good	3,972,268	3,972,268
Considered doubtful	-	-
Less: Provision for doubtful advances	-	-
	3,972,268	3,972,268
(b) Prepaid expenses	4,411,634	2,418,799
(c) Balances with government authorities	67,947,673	33,529,494
(d) Other Loan & Advances	113,341,575	104,742,118
Total	189,673,150	144,662,679

12 Equity share capital**(Amount in INR)**

Particulars	As at March 31, 2019	As at March 31, 2018
<u>Authorised share capital</u>		
1,50,00,000 (As at March 31, 2018: 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, 2018: 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, 2018: 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, 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
Year ended March 31, 2017			
- Number of shares	10,801,000	-	10,801,000
- Amount (Amount in INR)	108,010,000	-	108,010,000

(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.

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

Class of shares /	As at March 31, 2019		As at March 31, 2018	
	Name of shares held	% holding in that class of shares	Name 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%
Subhkaran T.Agarwal	754,400	5.11%	754,400	5.11%
Vasudev S.Agarwal HUF	1,006,560	6.82%	810,800	5.50%
Kailash S.Agarwal HUF	1,022,700	6.93%	877,400	5.95%
Subhkaran T.Agarwal HUF	789,455	5.35%	739,700	5.01%
Others	6,145,085	41.66%	6,535,900	44.31%
	14,750,000		14,750,000	

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, 2019	As at March 31, 2018
(a) Securities premium account		
Opening Balance	63,184,000	-
Add:-premium on issue of shares	-	63,184,000
	<u>63,184,000</u>	<u>63,184,000</u>
(b) Capital Reserve		
Opening Balance	9,119,000	9,119,000
Add: Transferred from surplus in Statement of Profit and Loss	-	-
	<u>9,119,000</u>	<u>9,119,000</u>
(c) Surplus in Statement of Profit and Loss		
Opening balance	372,277,124	340,904,248
Add: Profit for the year	30,010,537	31,372,876
	<u>402,287,661</u>	<u>372,277,124</u>
Total	<u>474,590,661</u>	<u>444,580,124</u>

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, 2019	As at March 31, 2018
Secured - at amortised cost		
a) Term Loan for machines from Punjab National Bank	20,396,121	44,671,720
b) Vehicles Loan	2,851,539	6,085,346
Unsecured - at amortised cost		
a) Loan From Directors, Family Member & Relatives	11,082,380	20,017,095
b) Loan From Corporate Bodies	-	-
Total	34,330,040	70,774,161

Notes:

(i) Term loan from Punjab National Bank are secured against hypothecation of Plant & Machinery and other fixed assets of the company. The loans are further secured by mortgage of certain land, office building, residential premises owned by Directors or their relatives. Loan is repaid in monthly installment of Rs. 20 Lacs from April, 2016 onwards over a period of 5 years.



15 Deferred tax liabilities (Net)

Particulars	As at March 31, 2019	As at March 31, 2018
(a) Deferred tax liabilities		
(i) Difference between book and tax depreciation	2,284,405	3,051,165
(ii) Other	-	-
	2,284,405	3,051,165
(b) Deferred tax assets		
(i) Disallowances under Income Tax	-	-
(ii) Other	-	-
	-	-
Total	2,284,405	3,051,165

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, 2019	As at March 31, 2018
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	685,735,742
b) Packing Credit Facility from Punjab National Bank	49,783,796	50,006,565
Total	623,508,014	735,742,307

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. The facilities are further secured by mortgaged of certain immovable properties owned by Directors and their relatives.

17 Trade payables

Particulars	As at March 31, 2019	As at March 31, 2018
Trade payables		
- Total outstanding dues of micro enterprises and small enterprises	-	-
- Total outstanding dues of creditors other than micro enterprises and small enterprises.	601,405,924	532,385,830
Total	601,405,924	532,385,830

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 no 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, 2019.

**18 Other financial liabilities (Current)**

Particulars	As at March 31, 2019	As at March 31, 2018
(a) Current maturities of long-term borrowings	28,084,860	29,544,515
Total	28,084,860	29,544,515

19 Other current liabilities

Particulars	As at March 31, 2019	As at March 31, 2018
(a) Statutory remittances	1,388,873	2,444,546
(b) Payables on purchase of fixed assets	26,930,987	48,085,860
(c) Others	56,617,438	178,325,379
Total	84,937,298	228,855,785

20 Provisions (Current)

Particulars	As at March 31, 2019	As at March 31, 2018
Provisions for Expenses	10,495,457	8,756,089
Total	10,495,457	8,756,089

21 Current tax liabilities

Particulars	As at March 31, 2019	As at March 31, 2018
Provision	16,187,885	17,800,000
Less: Advance Tax	3,500,000	6,500,000
Less: TDS & TCS Deducted by Party	11,984,322	9,328,997
Less: MAT/IT Refundable	-	97,050
Total	703,563	1,873,953

22 Revenue from operations

(Amount in INR)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
(a) Sale of products		
Finished Goods (Net of Returns, Rebate & Discount)	2,369,221,041	2,969,487,348
Export Sales	113,375,014	43,607,902
(b) Sale of services - Job Work	607,277,360	436,245,346
Total	3,089,873,415	3,449,340,596
Less: Commission on sales	20,420,715	11,309,797
Total	3,069,452,700	3,438,030,799



23 Other income

(Amount in INR)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
(a) Interest income earned on Fixed Deposit	746,520	5,678,077
(b) Gain/ (loss) on disposal of property, plant and equipment	2,324,501	1,793,125
(c) Export Incentives	5,395,775	4,983,605
(d) Vat Subsidy Received	-	11,831,641
Total	8,466,795	24,286,448

24 Cost of materials consumed

(Amount in INR)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Opening stock	147,085,702	221,413,126
Add : Purchase	1,982,361,838	2,452,279,717
Add : Grey Dalali	5,052,974	4,228,696
Less: Closing stock	148,548,601	147,085,702
Cost of materials consumed	1,985,951,913	2,530,835,837

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, 2019	For the year ended March 31, 2018
<u>Inventories at the end 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
<u>Inventories at the beginning of the year:</u>		
(a) Finished goods	324,489,489	165,720,506
(b) Work-in-progress Own	137,584,075	125,253,721
(c) Yarn	1,762,487	1,762,487
Total	463,836,051	292,736,714
Net (increase) / decrease	(44,450,374)	(171,099,337)

26 Employee benefits expense

(Amount in INR)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
(a) Salaries and wages	88,784,909	66,741,001
(b) Contributions to provident and other funds	5,349,621	4,598,925
(c) Staff welfare expenses	467,626	343,211
(d) Director Remuneration	3,209,030	3,500,000
Total	97,811,186	75,183,137



27 Finance costs

(Amount in INR)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
(a) Interest costs on borrowings	72,969,074	76,967,734
(b) Other borrowing costs	3,052,645	3,831,179
Total	76,021,719	80,798,913

28 Other expenses

(Amount in INR)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Manufacturing Expenses		
<u>Colour Chemical Consumed :</u>		
Opening Stock	30,477,604	16,696,573
Add: Purchase (Net of Return)	345,310,988	379,481,460
Less: Resale	1,667,246	1,548,035
	<u>374,121,346</u>	<u>394,629,998</u>
Less: Closing Stock	10,451,864	30,477,604
	<u>363,669,482</u>	<u>364,152,394</u>
<u>Packing Material Consumed :</u>		
Opening Stock	1,066,839	860,499
Add: Purchase (Net of Return)	23,467,975	15,763,761
Less: Resale	2,772	1,115,000
	<u>24,532,042</u>	<u>15,509,260</u>
Less: Closing Stock	1,983,472	1,066,839
	<u>22,548,570</u>	<u>14,442,421</u>
<u>Power & Fuel Consumed :</u>		
Opening Stock	6,022,574	1,640,541
Add: Purchase of Lignite & Fire Wood	154,595,168	184,570,695
Add: Electric Bill	84,174,090	70,552,367
Less: Coal Ash Sale	8,550	6,650
	<u>244,783,282</u>	<u>256,756,953</u>
Less: Closing Stock	1,468,824	6,022,574
	<u>243,314,458</u>	<u>250,734,379</u>
<u>Store & Spare Consumed :</u>		
Opening Stock	7,771,229	11,885,703
Add: Purchase	56,289,551	62,601,679
Less: Re Sale	1,828,700	2,675,372
	<u>62,232,080</u>	<u>71,812,010</u>
Less: Closing Stock	8,581,254	7,771,229
	<u>53,650,826</u>	<u>64,040,781</u>
	<u>683,183,335</u>	<u>693,369,975</u>



Process Charges	93,845,974	88,792,472
Freight on Inward	15,946,010	19,707,913
Machinery Repairs & Maintenance	8,959,992	7,856,819
Factory Expenses	31,600	87,404
Testing charges	802,755	1,030,986
Pollution Control Expenses	11,955,143	3,067,548
	814,724,810	813,913,117
Administrative, Selling & Distribution Expenses		
Advertisement	32,400	37,294
Air Condition Repairs	575,938	214,050
Auditors Remuneration	250,000	250,000
Books & Periodicals	9,600	39,155
Cartage	2,661,772	1,935,886
Charity & Donation	1,043,370	2,296,612
Computer Repairs & Maintenance expenses	664,730	625,048
ECGC & Inspection charges	306,358	334,172
Electric Expenses	1,952,170	1,852,983
Entertainment Exp.	163,349	152,582
Export Fluctuation	(1,684,272)	636,091
Furniture Repairs	333,889	-
General Expenses	48,507	99,931
Gratuity/ Worker compensation	100,000	600,000
Insurance Charges	5,120,302	5,014,770
Legal & Professional Charges	4,641,597	5,457,249
Metador Expenses	1,148,181	868,052
Outward Freight & Clearing & forwarding	2,984,566	2,091,532
Penalty & Late Fee's	24,845	-
Postage & Angaria	977,565	1,018,763
Printing & Stationery	920,288	837,077
Professional Tax	3,093	2,400
Rent Rate & Taxes	3,128,083	3,456,533
Repairs to Buildings	1,604,698	1,436,804
ROC & Stock Exchange exp.	363,585	599,310
Sales Promotion Expenses	204,141	3,717
Sampling exp.	47,846	188,418
Service Tax	155,298	1,025,739
Sitting Fee's	60,000	60,000
Subscription & Membership	88,019	185,678
Telephone Expenses	282,436	634,169
Round off	119	36
Travelling Expenses	1,561,129	2,674,015
VAT/GST Reversal (Rule 42 & 43)	152	-
Vehicle Expenses	1,761,612	1,488,573
Watch & Wards	1,282,028	1,197,962
Custom Duty Expenses	15,973,759	2,109
Total	863,515,961	851,229,827
Payments to auditors:		
(a) For audit	150,000	150,000
(b) For taxation matters	100,000	100,000
(c) For other services (including certifications fees)	-	-
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, 2019	For the year ended March 31, 2018
Profit after tax (Amount in INR)	30,010,537	31,372,876
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)	2.03	2.13

30 Contingent liabilities & Commitments

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Contingent liabilities & Commitments	97.46 Lacs	222.55 Lacs

31 Contingent assets

The are no contingent assets recognised as at March 31, 2019.

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	2018-19	2017-18
India	2,956,077,686	3,394,422,897
Outside India	113,375,014	43,607,902
Total	3,069,452,700	3,438,030,799

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

(ii) Non - Current Assets

Particulars	2018-19	2017-18
India	251,428,206	269,849,499
Outside India	-	-
Total	251,428,206	269,849,499

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

Akshika Enterprise

Aashana Enterprise

b. Directors and their relatives:

Shri Subhkaran T. Agarwal

Subhkaran T. Agarwal HUF

Smt. Bimla Devi S.agarwal

Shri Vasudev S. Agarwal

Vasudev S. Agarwal HUF

Smt. Anita V. Agarwal

Shri Kailash S. Agarwal

Kailash S. Agarwal HUF

Smt. Anjana Kailash Agarwal

Kailash Agarwal Family Trust

Vasudev Agarwal Family Trust

Aakruti V. Agarwal

Aashna V. Agarwal

Mahaveer Prasad Dalmiya

Bhoor Singh B. Parihar

Rakesh Kumar N. Agarwal

Pooja S.Sharma

Govind Prasad Goyal

Manoharlal Sharma

Rushabh M. Shah

Konark Piyush Patel

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

	Particulars	Concerns in which Directors or their relatives are interested	Directors' & Relatives, Key Management Personnel
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	8,719,116
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	Sitting Fee's	Nil	60,000
11	Balance outstanding	357081 Dr	11082380 Cr
	Dr./Cr. (Net)		

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, 2019	As at March 31, 2018
Debt (i)	685,922,913	836,060,983
Cash and bank balances (Refer Note 10)	12,703,973	3,511,395
Net debt	698,626,887	839,572,378
Total equity	622,090,661	592,080,124
Net debt to equity ratio	1.12	1.42

(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, 2019		As at March 31, 2018	
	Carrying values	Fair values	Carrying values	Fair values
<u>Financial assets</u>				
Measured at amortised cost				
Investments	39,941,000	39,941,000	23,440,620	23,440,620
Loans	84,978	84,978	84,478	84,478
Trade receivables	834,773,451	834,773,451	1,105,339,737	1,105,339,737
Cash and cash equivalents	12,703,973	12,703,973	3,511,395	3,511,395
Total Financial Assets carried at amortised cost (A)	887,503,403	887,503,403	1,132,376,230	1,132,376,230
Measured at fair value through profit and loss				
Current investments in mutual funds	-	-	-	-
Total Financial Assets at fair value through profit and loss (B)	-	-	-	-
Total Financial Assets (A+B)	887,503,403	887,503,403	1,132,376,230	1,132,376,230
<u>Financial liabilities</u>				
Measured at amortised cost				
Non-current liabilities				
Non-current borrowings*	34,330,040	34,330,040	70,774,161	70,774,161
Current liabilities				
Short-term borrowings	623,508,014	623,508,014	735,742,307	735,742,307
Trade payables	601,405,924	601,405,924	532,385,830	532,385,830
Other financial liabilities	28,084,860	28,084,860	29,544,515	29,544,515
Financial Liabilities measured at amortised cost	1,287,328,838	1,287,328,838	1,368,446,813	1,368,446,813
Total Financial Liabilities	1,287,328,838	1,287,328,838	1,368,446,813	1,368,446,813

The Fair value of the Company's fixed interest borrowing are determined by using discounted cash flow method



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, 2019 (Amount in Rupees)				As at March 31, 2018 (Amount in Rupees)			
	USD	EURO	INR	Total	USD	EURO	INR	Total
Financial assets								
Non-current financial assets								
Investments	-	-	39,941,000	39,941,000	-	-	23,440,620	23,440,620
Loans	-	-	84,978	84,978	-	-	84,478	84,478
Total non-current financial assets	-	-	40,025,978	40,025,978	-	-	23,525,098	23,525,098
Current financial assets								
Trade receivables	-	4,298,696	830,474,755	834,773,451	-	-	1,105,339,737	1,105,339,737
Cash and cash equivalents	-	-	12,703,973	12,703,973	-	-	3,511,395	3,511,395
Total current financial assets	-	4,298,696	843,178,729	847,477,425	-	-	1,108,851,132	1,108,851,132
Total financial assets	-	4,298,696	883,204,707	887,503,403	-	-	1,132,376,230	1,132,376,230
Financial liabilities								
Non current financial liabilities								
Borrowings	-	-	34,330,040	34,330,040	-	-	70,774,161	70,774,161
Total non-current financial liabilities	-	-	34,330,040	34,330,040	-	-	70,774,161	70,774,161
Current financial liabilities								
Borrowings	-	-	623,508,014	623,508,014	-	-	735,742,307	735,742,307
Trade payables	-	-	601,405,924	601,405,924	-	-	532,385,830	532,385,830
Others	-	-	28,084,860	28,084,860	-	-	29,544,515	29,544,515
Total current financial liabilities	-	-	1,252,998,798	1,252,998,798	-	-	1,297,672,652	1,297,672,652
Total financial liabilities	-	-	1,287,328,838	1,287,328,838	-	-	1,368,446,813	1,368,446,813
Excess of financial liabilities over financial assets	-	(4,298,696)	404,124,131	399,825,435	-	-	236,070,583	236,070,583
Hedge foreign currency risk	-	-	-	-	-	-	-	-
Unhedge foreign currency risk	-	(4,298,696)	404,124,131	399,825,435	-	-	236,070,583	236,070,583
Sensitivity impact on Net liabilities/ (assets) exposure at 10%	-	(429,870)	NA	(429,870)	-	-	NA	

**5.1 Foreign currency**

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, 2019		As at March 31, 2018	
	Gross amount	Interest rate sensitivity @0.50%	Gross amount	Interest rate sensitivity @0.50%
Fixed Loan	18,018,779	NA	31,646,956	NA
Variable Loan	667,904,134	3,339,521	804,414,027	4,022,070
Total	685,922,913	3,339,521	836,060,983	4,022,070

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.

Particulars	As at March 31, 2019				As at March 31, 2018			
	< 1year	1-5 years	> 5 years	Total	< 1year	1-5 years	> 5 years	Total
Financial assets								
Non-current								
Investments	-	-	39,941,000	39,941,000	-	-	23,440,620	23,440,620
Loans	-	-	84,978	84,978	-	-	84,478	84,478
Total non-current financial assets	-	-	40,025,978	40,025,978	-	-	23,525,098	23,525,098
Current								
Trade receivables	834,773,451	-	-	834,773,451	1,105,339,737	-	-	1,105,339,737
Cash and cash equivalents	12,703,973	-	-	12,703,973	3,511,395	-	-	3,511,395
Total current financial assets	847,477,425	-	-	847,477,425	1,108,851,132	-	-	1,108,851,132
Total financial assets	847,477,425	-	40,025,978	887,503,403	1,108,851,132	-	23,525,098	1,132,376,230
Financial liabilities								
Non-current								
Borrowings	-	23,247,660	11,082,380	34,330,040	-	50,757,066	20,017,095	70,774,161
Total non-current financial liabilities	-	23,247,660	11,082,380	34,330,040	-	50,757,066	20,017,095	70,774,161
Current								
Borrowings	623,508,014	-	-	623,508,014	735,742,307	-	-	735,742,307
Trade payables	601,405,924	-	-	601,405,924	532,385,830	-	-	532,385,830
Other financial liabilities	28,084,860	-	-	28,084,860	29,544,515	-	-	29,544,515
Total current financial liabilities	1,252,998,798	-	-	1,252,998,798	1,297,672,652	-	-	1,297,672,652
Total financial liabilities	1,252,998,798	23,247,660	11,082,380	1,287,328,838	1,297,672,652	50,757,066	20,017,095	1,368,446,813



37 Income Taxes

Income taxes recognised in statement of profit and loss

(Amt in INR)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
(i) Income tax recognised in the statement of profit and loss		
Current tax		
In respect of the current year	16,187,885	17,800,000
Short Provision for tax of earlier years	34,927	1,211,091
Deferred tax		
In respect of the current year	(766,760)	(841,003)
MAT Credit Taken		
Income tax expenses recognised in the statement of profit and loss	15,456,052	18,170,088
(ii) Income tax recognised in other comprehensive income		
Deferred Tax : -		
Deferred tax benefit on actuarial gain/(loss) on defined plan	-	-
Income tax expenses recognised in the statement of profit and loss	-	-

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

(Amt in INR)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Income before taxes	45,466,589	49,542,964
Enacted tax rate in India	33.384%	33.063%
Expected income tax benefit/(expense) at statutory tax rate	15,178,566	16,380,390
Effect of:		
Tax effect on non -deductible expenses	-	-
Unrecognized of MAT Credit Entitlements	-	-
Others	1,009,319	1,419,610
Short Provision for tax of earlier years	34,927	1,211,091
Income taxes credit/ (expenses) recognised in the statement of income	16,222,812	19,011,091

The tax rate used for the above reconciliation is the corporate tax rate of 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, 2019	For the year ended March 31, 2018
Depreciation and Amortisation	(766,760)	(841,003)
Others	-	-
Total deferred tax for the year	(766,760)	(841,003)


Components of deferred tax assets and liabilities

(Amt in INR)

Particulars	As at March 31, 2019	As at March 31, 2018
(a) Deferred tax liabilities		
(i) Difference between book and tax depreciation	2,284,405	3,051,165
(ii) Others	-	-
	2,284,405	3,051,165
(b) Deferred tax assets		
(i) Disallowances under Income Tax	-	-
(ii) Other	-	-
	-	-
Deferred tax Liabilities (Net)	2,284,405	3,051,165

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 2019
Revenue as per contracted price	3,069,452,700
Adjustments	
Discounts / rebates / incentives	-
Sales returns / credits / reversals	-
Deferrment of revenue	-
Any other adjustments	-
Revenue from contract with customers	3,069,452,700

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 30th May, 2019.

In terms of our report attached
For, Abhishek Kumar & Associates

Chartered Accountants

Firm Regn. No. 130052W

(CA. Abhishek Kumar Agarwal)

Proprietor

M. No. 132305

For and on behalf of the Board

Vasudev S. Agarwal
(Managing Director)
(DIN-01491403)
Bhoor Singh B. Parihar
(Director)
(DIN-01612692)

Place: Ahmedabad

Dated: 30.05.2019

Manoharlal Sharma
(Chief Financial Officer)

**STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31st MARCH, 2019**

Particulars	(Amount in INR)	
	For the year ended March 31, 2019	For the year ended March 31, 2018
A. CASH FLOW FROM OPERATING ACTIVITIES		
NET PROFIT BEFORE TAX AND EXTRA ORDINARY ITEMS	45,466,589	49,542,964
ADJUSTMENT FOR :		
DEPRECIATION	53,602,502	45,825,906
PROFIT ON SALE OF FIXED ASSETS	-2,324,501	-1,793,125
INTEREST PAID	72,969,074	76,967,734
INTEREST RECEIVED	-746,520	-5,678,077
	<u>123,500,556</u>	<u>115,322,438</u>
OPERATING PROFIT BEFORE WORKING CAPITALCHANGES	<u>168,967,145</u>	<u>164,865,402</u>
ADJUSTMENT FOR :		
TRADE AND OTHER RECEIVABLES	270,566,286	-51,290,345
INVENTORIES	-23,060,442	-111,026,843
OTHER CURRENT ASSETS	-45,010,970	-78,343,763
OTHER CURRENT FINANCIAL LAIBILITIES i.e. TRADE PAYABLES etc.	-75,789,070	185,453,750
	<u>126,705,803</u>	<u>-55,207,201</u>
CASH OUT FLOW FROM OPERATIONS	<u>295,672,948</u>	<u>109,658,201</u>
CASH OUT FLOW BEFORE EXTRAORDINARY ITEMS	<u>295,672,948</u>	<u>109,658,201</u>
DIRECT TAX PAID	-16,187,885	-17,800,000
EXTRA ORDINARY ITEMS (PRIOR YEAR'S TAX)	-34,927	-1,211,091
NET CASH OUT FLOW FROM OPERATING ACTIVITIES	<u>279,450,136</u>	<u>90,647,110</u>
B. CASH FLOW FROM INVESTING ACTIVITIES :		
PURCHASES OF SHARES	-16,500,380	-9,300,620
INCREASE OF SHARE CAPITAL	-	102,674,000
SALE OF FIXED ASSETS	6,876,902	7,242,229
INTEREST RECEIVED	746,520	5,678,077
PURCHASES OF FIXED ASSETS	-39,733,110	-62,429,440
NET CASH OUT FLOW FROM INVESTING ACTIVITIES	<u>-48,610,069</u>	<u>43,864,246</u>
C. CASH FLOW FROM FINANCING ACTIVITIES		
INCREASE IN SECURED LOANS	-139,743,700	-3,780,437
INCREASE IN UNSECURED LOANS	-8,934,715	-54,267,631
INTEREST PAID	-72,969,074	-76,967,734
NET CASH FLOW IN FINANCING ACTIVITIES	<u>-221,647,489</u>	<u>-135,015,802</u>
NET INCREASE /(DECREASE) IN CASH AND CASH EQUIVALENT	<u>9,192,578</u>	<u>-504,446</u>
CASH AND CASH EQUIVALENT AS AT 31.03.2018 (OPENING CASH BALANCE)	3,511,395	4,015,841
CASH AND CASH EQUIVALENT AS AT 31.03.2019	12,703,973	3,511,395
CLOSING CASH BALANCE	12,703,973	3,511,395

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

Particulars	As at	As at
	March 31, 2019	March 31, 2018
(a) Cash on hand	760,654	760,654
(b) Balances with banks : Current Accounts	161,900	161,900
(c) F.D. with Punjab National Bank	3,093,288	3,093,288
	<u>4,015,842</u>	<u>4,015,842</u>

In terms of our report attached

For, Abhishek Kumar & Associates

Chartered Accountants

Firm Regn. No. 130052W

For and on behalf of the Board

(CA. Abhishek Kumar Agarwal)

Proprietor

M. No. 132305

Vasudev S. Agarwal

(Managing Director)

(DIN-01491403)

Bhoor Singh B. Parihar

(Director)

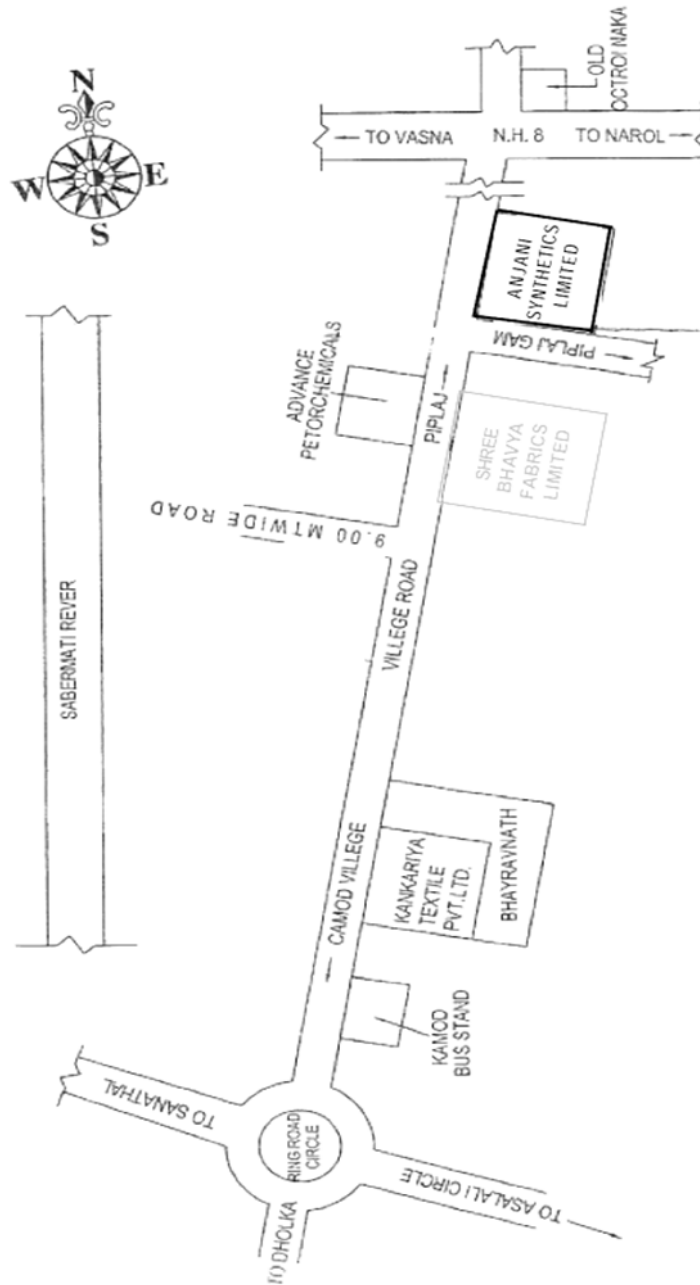
(DIN-01612692)

Place: Ahmedabad

Dated: 30.05.2019

Manoharlal Sharma
(Chief Financial Officer)

Route Map to the 35th AGM Venue to be held on 27th September, 2019
Venue: Plot No. 140, Saijpur- Gopalpur, Pirana Road,
Piplej, Ahmedabad-382405,
Gujarat, India.





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

PROXY FORM

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

Name of Member	
Registered Address	
Folio No/ Client ID	DP ID
e-mail Id	

I/ We, being the member(s) of _____ shares of ANJANI SYNTHETICS LIMITED, hereby appoint:

- Name: _____
Address: _____
E-mail Id : _____ Signature: _____ or failing him/her
- Name: _____
Address: _____
E-mail Id : _____ Signature: _____ or failing him/her

as my/ our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Annual General Meeting of the Company, to be held on Friday, 27th day of September, 2019 at 11.00 a.m. at Plot No.140, Saijpur-Gopalpur, Pirana Road, Piplej, Ahmedabad-382405, Gujarat, INDIA and at any adjournment thereof in respect of such resolutions set out in the Notice convening the meeting, as are indicated below:

S.No.	Ordinary Business	For	Against
1.	Adoption of audited financial statements of the Company for the financial year ended 31st March 2019 (Ordinary Resolution)		
2.	Re-appointment of Mr. Vasudev S. Agarwal [DIN: 01491403] as a Director of the Company who retires by rotation (Ordinary Resolution)		
3.	Abhishek Kumar & Associates, Chartered Accountants Continue as statutory auditors of the Company (Ordinary Resolution)		
	Special Business		
4.	Ratification of the remuneration payable to the Cost Auditors for the year ending on 31 st March 2020 (Ordinary Resolution)		
5.	Approval of appointment of Mr. Gopal Sanwormal Pansari as Non Executive Independent Director (Ordinary Resolution)		
6.	Approval of appointment of Ms. Garima Jain as Non Executive Woman Independent Director (Ordinary Resolution)		
7.	Approval of Appointment of Mr. Bhoorsingh Bagsingh Parihar as an Executive Director designated as Director (Ordinary Resolution)		
8.	Approval of appointment of Mr. Sourabh Vijay Patawari as Non Executive Independent Director (Ordinary Resolution)		
9.	Approval of Related Party Transaction (Special Resolution)		

Signed this _____ day of _____ 2019

Signature of the Shareholder



Signature of the Proxy holder(s)

Notes:

- This form of proxy in order to be effective should be duly completed and deposited at the registered office of the Company, not less than 48 hours before the commencement of the meeting.
- Notwithstanding the above, the Proxies can vote on such other items which may be tabled at the meeting by the members present.
- In the case of joint holders, the signature of any one holder will be sufficient, but names of all the joint holders should be stated.
- For Resolutions, Statement pursuant to Section 102 of the Companies Act 2013 and Notes, please refer to the Notice of 35th Annual General Meeting.
- Appointing a proxy does not prevent a member from attending the meeting in person if he so wishes.



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

ATTENDANCE SLIP

[To be handed over at the entrance of the meeting hall]

35th ANNUAL GENERAL MEETING 27.09.2019

Registered Folio No.: _____

No. of Shares held: _____

DP ID No.*: _____

Client ID No.*: _____

Name of the attending Member/ Proxy: _____

[IN BLOCK LETTER]

*Applicable for members holding shares in electronic form only.

I/we certify that I/we am/are member(s)/proxy for the member(s) of the Company.

I hereby record my presence at this 35th Annual General Meeting held at Plot No.140, Saijpur Gopalpur, Pirana Road, Piplej, Ahmedabad- 382405, Gujarat on Friday, 27th day of September, 2019 at 11.00 a.m.

Member's/ Proxy's Signature

Place:

Date:

Notes:

1. Please fill and sign this attendance slip and hand it over at the Attendance Verification Counter at the venue of the Meeting.
2. Only shareholders of the Company and/or their Proxy will be allowed to attend the Meeting.
3. No Gifts Shall Be Distributed In The Annual General Meeting or Afterwards.

E-VOTING

Users who wish to opt for e-voting may use the following login credentials:

EVSN (E-VOTING EVENT NO.)	USER ID	PASSWORD / PIN
190812025		

Note:

Please follow steps for remote e-voting procedure as given in the Notice of 35TH AGM by log in on to <https://evotingindia.com> and the same is also available on <http://http://www.anjanisynthetics.com/>

Book-Post

To



If Undelivered please return to :

ANJANI SYNTHETICS LIMITED

[CIN: L11711GJ1984PLC007048]

Regd. Office : 221 (Maliya), New Cloth Market,

Outside Raipur Gate, Ahmedabad-380002, Gujarat.

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

Website : www.anjanisynthetics.com