

MINAL INDUSTRIES LTD

Plot No. 16(P)-17, 28 & 29 (P), SEEPZ SEZ, Andheri (East) , Mumbai – 400 096
Tel No. 91-22- 40707070 , Fax : 91 – 22 -282922258. Email : minal_vjp@rediffmail.com
Web: minalindustriestd.com. CIN: L32201MH1988PLC216905

Date: 11th February 2021

To,
Department of Corporate Service (DCS-CRD),
BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street, Fort,
Mumbai – 400 001

Sub: : Notice of 32nd AGM and Annual Report for the Financial Year 2019-20

Respected Sir,

Pursuant to Regulation 34 (1) (Listing Obligations and Disclosure Requirements) Regulation, 2015, please find enclosed 32nd (Thirty Second) Annual Report of the Company for the financial year 2019-2020 which has been sent to shareholder of the Company through electronic mode.

Kindly take the same on your record and acknowledge the same

Thanking you,

Yours Faithfully,

For MINAL INDUSTRIES LIMITED



**SONA AKASH PARIKH
DIRECTOR
DIN: 03283751**



Encl.: As above

MINAL INDUSTRIES LIMITED



**32nd ANNUAL
REPORT 2019-20**

INDEX

SR NO	CONTENTS	PAGE NO.
1	NOTICE	4 - 18
2	DIRECTOR REPORT	19 - 31
3	ANNEXURE A	32
4	CONSERVATION OF ENERGY	33
5	SECRETARIAL AUDIT REPORT FORM NO. MR-3	34 -37
6	FORM AOC -1	38 - 39
7	FORM AOC- 2	40
8	CORPORATE GOVERNANCE REPORT	41 -65
9	MANAGEMENT DISCUSSION AND ANALYSIS	66 -67
10	CEO/CFO CERTIFICATION	68 -69
11	PRACTISING COMPANY SECRETARIES CERTIFICATE	70
12	ANNEXURE -1 (NON DISQUALIFICATION OF DIRECTORS)	71
14	INDEPENDENT AUDITORS REPORT	72 - 86
15	STANDALONE FINANCIAL STATEMENT	87 - 112
16	SIGNIFICANT ACCOUNTING POLICIES (STANDALONE)	113 - 124
17	CONSOLIDATED FINANCIAL STATEMENTS	125-160
18	SIGNIFICANT ACCOUNTING POLICIES (CONSOLIDATED)	161 - 171

PLOT NO. 16(P), 17-28 & 29(P) SEEPZ,
MIDC, ANDHERI (E), MUMBAI - 400096
CIN: - L32201MH1988PLC216905

Tel No.: -022-40707070

Web site: - www.minalindustriesltd.com

Email ID: cmseepz@gmail.com

BOARD OF DIRECTORS:

Name	Designation	DIN/PAN
Shrikant J. Parikh	Chairman and Managing Director (<i>KMP</i>)	00112642
Amulbhai Patel	Non-Executive, Independent Director	00183464
Shankar Bhagat	Non-Executive, Independent Director	01359807
Sona A. Parikh	Non-Executive Director	03283751
Harshala Karangutkar	Chief Financial Officer	AMXPK1632K

BANKERS

Bank Of India
University Road
Post Box No.2, Vadodara 390002

Corporation Bank
National Plaza, 1st Floor
R C Dutt Road, Alkapuri, Vadodara 390005

HDFC Bank Ltd
Arun Complex, 36 Alkapuri Society
R C Dutt Road, Vadodara 390005

AUDITORS

H P V S & ASSOCIATES

Chartered Accountants,
FRN: 137533W
502, Crystal Tower,
46/48, Maruti Lane,
Fort, Mumbai - 400001.

REGISTERED OFFICE

Plot No. 16(P), 17-28 & 29(P) Seepz,
MIDC, Andheri (E), Mumbai - 400096

MCS SHARE TRANSFER AGENT LTD.

2nd Floor, 10, Aaram Apartment,
12, Sampatrao Colony, B/H Laxmi Hall,
Alkapuri, Vadodara - 390007
Phone: (0265) 2314757
Fax: (0265) 2341639
Email: - helpdeskbaroda@mcsregistrars.com

Vision and Mission

Minal Industries Limited was incorporated under the Companies Act in the state of Maharashtra, India, in the year 1988.

Minal Industries Limited is one of the leading Diamantaire and Jewelry & Engineering Company with a wide spread around the world.

The Group of companies are Minal Infojewels Ltd., Minal Industries Ltd, Minal Lifestyles Pvt. Ltd, Minal Infra Cons Pvt. Ltd., Minal Infrastructure & Properties Pvt. Ltd. C. Mahendra Jewels Pvt Ltd.

Minal Industries Limited is firmly established across the value chain and in all major diamonds and jewelry centers globally.

NOTICE

NOTICE IS HEREBY GIVEN THAT THE 32nd ANNUAL GENERAL MEETING OF THE MEMBERS OF MINAL INDUSTRIES LIMITED WILL BE HELD ON SATURDAY THE 26TH DECEMBER, 2020 AT 09.00 A.M. AT THE REGISTERED OFFICE OF THE COMPANY SITUATED AT THROUGH VIDEO CONFERENCING/ OTHER AUDIO-VISUAL MEANS (VC/OAVM) FACILITY TO TRANSACT FOLLOWING BUSINESS.

Ordinary Business:

- 1. TO RECEIVE, CONSIDER AND ADOPT THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020 ALONG WITH NOTES AND SCHEDULES THEREON AS ON THAT DATE AND THE REPORTS OF DIRECTORS AND AUDITORS THEREON.**
- 2. TO APPOINT A DIRECTOR IN PLACE OF MRS. SONA PARIKH (DIN: 03283751), WHO RETIRES BY ROTATION AT THE ENSUING ANNUAL GENERAL MEETING OF THE COMPANY AND BEING ELIGIBLE, OFFERS HERSELF FOR REAPPOINTMENT.**

Special Business

A. Special Resolutions

- 3. APPROVAL FOR INCREASE IN BORROWING LIMITS IN EXCESS OF LIMITS SPECIFIED UNDER SECTION 180 (1) (c) OF COMPANIES ACT, 2013.**

“RESOLVED THAT consent of shareholders of the company be and is hereby accorded, pursuant to Section 180(1)(a) and other applicable provisions if any, of the Companies Act, 2013, to the Board of Directors of the Company to pledge, mortgage, hypothecate and/or charge all or any part of the moveable or immovable properties of the Company and the whole or part of the undertaking of the Company of every nature and kind whatsoever and/or creating a floating charge in all or any movable or immovable properties of the Company and the whole of the undertaking of the Company to or in favour of banks, financial institutions, investors and any other lenders or debenture trustees to secure the amount borrowed by the Company or any third party from time to time for the due payment of the principal and/or together with interest, charges, costs, expenses and all other monies payable by the Company or any third party in respect of such borrowings provided that the aggregate indebtedness secured by the assets of the Company does not exceed Rs. 50 Crores (Rupees Fifty Crores only) at any time.”

“RESOLVED FURTHER THAT the Board of Directors of the company be and are hereby authorized authorised to finalise with Banks/Financial Institutions the documents for creating aforesaid mortgage and/or the charge and to do all such acts, deeds, matters and things as may be necessary, proper and expedient or incidental for giving effect to this resolution.”

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to vary and/or alter the terms and conditions of the security aforesaid in consultation with the financial institutions/banks/other lenders and mortgages as may be necessary.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to prepare, finalize and execute in favour of the said financial institution/ banks/other lenders the

documents, writing and such other agreements, as may be necessary for creating mortgages and/or charges as aforesaid and to do all such acts, deeds, matters and things as may be necessary and/or expedient in that behalf.”

RESOLVED FURTHER THAT any Director of the Company be and is hereby severally authorized to do all such acts, deeds, matters and things as may be necessary for effecting the aforesaid resolution including but not limited to filing of necessary forms with Registrar of Companies.

4. APPROVAL TO GRANT A LOAN REPRESENTED BY WAY OF BOOK DEBT (THE “LOAN”) TO, AND/OR GIVING OF GUARANTEE(S), AND/OR PROVIDING OF SECURITY(IES) UNDER SECTION 185 OF THE COMPANIES ACT 2013

“RESOLVED THAT pursuant to the provisions of Section 185 of the Companies Act, 2013, as amended by the Companies (Amendment) Act, 2017, approval of members be and is hereby accorded for making of loan(s) including loan represented by way of Book Debt (the “Loan”) to, and/or giving of guarantee(s), and/or providing of security(ies) in connection with any Loan taken/ to be taken by Following Companies/Body corporate to whom any of the director of the company is interested’ as specified in the explanation to subsection 2 of the said Section.

Sr No	Name of Company/Body Corporate	Maximum Limit
1	Minal Exim Pvt Ltd	50 Cr
2	Minal Infracons Pvt Ltd	50 Cr
3	Clicks Metro Online Pvt. Ltd	50 Cr
4	Minal Infrastructure & Properties Pvt.Ltd	50 Cr
5	Minal Lifestyles Pvt Ltd.	50 Cr
6	Minal International FZE	50 Cr
7	Minal Infojewels	50 Cr
8	M/S RSBL Jewels	50 Cr

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board of Directors of the Company (hereinafter referred to as “the Board”, which term shall be deemed to include any committee thereof) and/or Company Secretary of the Company be and is hereby authorized to negotiate, finalise and agree to the terms and conditions of the aforesaid Loan/ Guarantee/ security, and to take all necessary steps, to execute all such documents, instruments and writings and to do all necessary acts, deed and things in order to comply with all the legal and procedural formalities and to do all such acts, deeds or things incidental or expedient thereto and as the Board may think fit and suitable.”

5. APROVAL FOR MAKING INVESTMENT(S), LOANS, GUARANTEES AND SECURITY IN EXCESS OF LIMITS SPECIFIED UNDER SECTION 186 OF COMPANIES ACT, 2013.

RESOLVED THAT pursuant to Section 186(3) and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification thereof for the time being in force and as may be enacted from time to time), and in terms of Articles of Association of the Company and subject to such approvals, consents, sanctions and permissions as may be necessary, the consent of the members be and is hereby accorded to the Board of Directors (hereinafter referred to as “the Board” which

term shall be deemed to include any Committee which the Board may constitute for this purpose or any person(s) authorized by the Board) for making investment(s) in excess of limits specified under section 186 of Companies Act, 2013 from time to time in acquisition of securities of anybody corporate or for giving loans, guarantees or providing securities to anybody corporate or other person / entity whether in India or outside India, as may be considered appropriate for an amount not exceeding Rs. 100 Crores (Rupees One Hundred Crores only), notwithstanding that such investment and acquisition together with the Company's existing investments, loans and guarantees given and securities provided shall be in excess of the limits prescribed under section 186(3), of the Companies Act, 2013.

RESOLVED FURTHER THAT the Board or a duly constituted Committee thereof be and is hereby authorized to decide and finalize the terms and conditions while making investment within the aforesaid limits as mentioned above including the power to transfer, lien and dispose of the investments so made, from time to time, and to execute all deeds, documents and other writings and to do all such acts, deeds and matters and things as may be required and expedient for implementing and giving effect to this resolution.

RESOLVED FURTHER THAT for the purpose of giving effect to the above, any Director of the Company be and is hereby authorized to finalize and execute all agreements, documents and writings and to do all acts, deeds and things in this connection and incidental thereto as they may in their absolute discretion deem fit to give effect to this resolution.”

B. Ordinary Resolution

6. APPROVAL OF RELATED PARTY TRANSACTIONS UP TO THE MAXIMUM LIMITS AS SPECIFIED WITH THE RELATED PARTIES:

RESOLVED THAT pursuant to the provisions of Section 188 and other applicable provisions, if any, of the Companies Act, 2013 read with the applicable Rules under Companies (Meetings of Board and its Powers) Rules, 2014 and in terms of Corporate Governance and any other applicable provisions of the Listing Obligation and Disclosure Requirements, Regulations, 2015 (including any amendment, modification(s) or re-enactment thereof), the consent of the members of the Company be and is hereby accorded for entering into transaction(s) with the following related party(ies) up to the maximum amount mentioned there against, in each financial year, for a period of five years on such terms and conditions as may be mutually agreed between the Company and the related party(ies):

Sr No	Applicable for Financial Year	Name of related Party	Nature of Transaction	Maximum value of the Transaction
1	Applicable for period of 1 year starting from 2020 – 2021	Minal Infojewels Ltd	<ul style="list-style-type: none"> • Sale/Purchase of Materials. • Availing or rendering service. • Leasing of Property 	50 CR
2	Applicable for period of 1 year starting from 2020 – 2021	M/S RSBL Jewels- Partnership Firm	<ul style="list-style-type: none"> • Sale/Purchase of Materials. • Availing or rendering service. • Leasing of Property 	20 CR

3	Applicable for period of 1 year starting from 2020 – 2021	C.Mahendra Jewels USA	<ul style="list-style-type: none"> • Sale/Purchase of Materials. • Availing or rendering service. • Leasing of Property 	20CR
4	Applicable for period of 1 year starting from 2020 – 2021	Minal Electrical & Engineering	<ul style="list-style-type: none"> • Sale/Purchase of Materials. • Availing or rendering service. • Leasing of Property 	20 CR
5	Applicable for period of 1 year starting from 2020 – 2021	Minal Plastic Product	<ul style="list-style-type: none"> • Sale/Purchase of Materials. • Availing or rendering service. • Leasing of Property 	20 CR
6	Applicable for period of 1 year starting from 2020 – 2021	Selection INC	<ul style="list-style-type: none"> • Sale/Purchase of Materials. • Availing or rendering service. • Leasing of Property 	100 CR
7	Applicable for period of 1 year starting from 2020 – 2021	Clicks Metro Online Pvt. Ltd	<ul style="list-style-type: none"> • Sale/Purchase of Materials. • Availing or rendering service. • Leasing of Property 	20 CR
8	Applicable for period of 1 year starting from 2020 – 2021	Minal Exim Pvt Ltd	<ul style="list-style-type: none"> • Sale/Purchase of Materials. • Availing or rendering service. • Leasing of Property 	20 CR
9	Applicable for period of 1 year starting from 2020 – 2021	Minal Infracons Pvt Ltd	<ul style="list-style-type: none"> • Sale/Purchase of Materials. • Availing or rendering service. • Leasing of Property 	20 CR
10	Applicable for period of 1 year starting from 2020 – 2021	Minal Infrastructure & Properties Pvt. Ltd	<ul style="list-style-type: none"> • Sale/Purchase of Materials. • Availing or rendering service. • Leasing of Property 	50 CR
11	Applicable for period of 1 year starting from 2020 – 2021	Minal Lifestyles Pvt Ltd.	<ul style="list-style-type: none"> • Sale/Purchase of Materials. • Availing or rendering service. • Leasing of Property 	20 CR

RESOLVED FURTHER THAT any Director of the Company be and is hereby authorized to do all such acts, deeds, matters & things and to take such steps, settle any queries, difficulties, doubts that may arise with regard to any transaction(s) with the related party(ies) 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 and for the matters connected therewith or incidental thereto.

**BY ORDER OF THE BOARD OF DIRECTORS
FOR MINAL INDUSTRIES LIMITED**

**SD/-
SHRIKANT PARIKH
(MANAGING DIRECTOR)
DIN: 00112642**

Date: 04.12.2020
Place: Mumbai.

NOTES:

1. In view of the continuing Covid-19 pandemic, the Ministry of Corporate Affairs ("MCA") vide its circular dated May 05, 2020 read with circulars dated April 08, 2020 and April 13, 2020 (collectively referred to as "MCA Circulars") and Securities and Exchange Board of India ("SEBI") vide circular

dated May 12, 2020 (“SEBI Circular”) permitted the holding of the Annual General Meeting (“the Meeting”) through VC / OAVM, without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 (“Act”), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”), MCA Circulars and SEBI Circular, the Meeting of the Company is being held through VC / OAVM.

2. As there are special business pursuant to section 102(1) of the Act (“Explanatory Statement”) Explanatory Statement is annexed.
3. However, pursuant to MCA Circulars and SEBI Circular, the AGM will be held through VC/OAVM and a Member entitled to attend and vote at the Meeting through Electronic Mode, the physical attendance of Members in any case has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the Meeting and hence the Proxy Form is not annexed to this Notice.
4. Pursuant to Section 113 of the Act representatives of Corporate Members may be appointed for the purpose of voting through remote e-voting or for participation and voting in the Meeting to be conducted through VC/OAVM.

Corporate Members intending to attend the Meeting through their authorised representatives are requested to send a Certified True Copy of the Board Resolution and Power of Attorney, (PDF/JPG Format) if any, authorizing its representative to attend and vote on their behalf at the Meeting. The said Resolution/Authorisation shall be sent to the Company by email through its registered email address, to cmseepz@gmail.com with a copy marked to helpdesk.evoting@cdslindia.com.

5. In compliance with the aforesaid MCA Circulars and SEBI Circular, Notice of the Meeting along with the Annual Report for financial year 2019-20 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. Members may note that the Notice and Annual Report for financial year 2019-20 will also be available on website of the Company, i.e. cmseepz@gmail.com, website of the Stock Exchanges i.e. BSE Limited and at www.bseindia.com, and on the website of the CDSL www.evotingindia.com.
6. The business set out in the Notice will be transacted through electronic voting system and the Company is providing facility for voting by electronic means. Instructions and other information relating to e-voting are given in this Notice under Note No. 15.
7. Members attending the Meeting through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
8. Relevant documents referred to in the accompanying Notice and the Explanatory Statement, Registers and all other documents will be available for inspection in electronic mode. Members can inspect the same by sending an email to the Company at cmseepz@gmail.com
9. Notice is also given under Section 91 of the Act read with Regulation 42 of the Listing Regulations, that the Register of Members and the Share Transfer Book of the Company will remain closed from Sunday, 20th December, 2020 to Saturday, 26th December, 2020 (both days inclusive).
10. For registration of email id for obtaining Annual Report and User ID/password for e-voting and updation of bank account mandates is annexed to this Notice send a mail to cmseepz@gmail.com & helpdeskbaroda@mcsregistrars.com

11. Members are requested to intimate changes, if any, pertaining to their name, postal address, telephone/ mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, to their Depository Participants (“DPs”) in case the shares are held by them in dematerialized form and to the Registrar and Share Transfer Agents of the Company i.e. MCS Share Transfer Agent LTD. In case the shares are held by them in physical form.
12. The Company has designated an exclusive email id called cmseepz@gmail.com to redress Members’ complaints/ grievances. In case you have any queries/ complaints or grievances, then please write to us at cmseepz@gmail.com
13. Due to growth and expansion projects Company has not issued any dividend.
14. Members seeking any information/desirous of asking any questions at the Meeting with regard to the accounts or any matter to be placed at the Meeting are requested to send email to the Company at cmseepz@gmail.com at least 7 days before the Meeting. The same will be replied by the Company suitably.
15. Information and other instructions relating to e-voting are as under:
 - a) Pursuant to the provisions of Section 108 and other applicable provisions of the Act and Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended and Regulation 44 of the Listing Regulations, MCA Circulars and SEBI Circular the Company is pleased to provide its Members facility to exercise their right to vote on resolutions proposed to be passed in the Meeting by electronic means.
 - b) The Company has engaged the services of Central Depository Services (India) Limited (“CDSL”) to provide e-voting facility to the Members.
 - c) Voting rights shall be reckoned on the paid-up value of shares registered in the name of the Member/ beneficial owner (in case of electronic shareholding) as on the cut-off date, i.e., Saturday, December 19, 2020. A person who is not a Member as on the cut-off date should treat this Notice for information purposes only.
 - d) A person, whose name is recorded in the Register of Members or in the register of beneficial owners maintained by the depositories as on the cut-off date, i.e., Saturday, December 19, 2020, only shall be entitled to avail the facility of e-voting.
 - e) Members who are holding shares in physical form or who have not registered their email address with the Company/Depository or any person who acquires shares of the Company and becomes a Member of the Company after the Notice has been sent electronically by the Company, and holds shares as of the cut-off date, i.e. Saturday, December 19, 2020,; such Member may obtain the User ID and password by sending a request at helpdesk.evoting@cdslindia.com or helpdeskbaroda@mcsregistrars.com However, if a member is already registered with CDSL for e-voting then existing User ID and password can be used for casting vote.
 - f) The Board of Directors of the Company has appointed Mr. Hemant Shetye, Partner of HS Associates, (membership no. 2827, COP: 1483) of Mumbai as Scrutiniser to scrutinise the e-voting process in a fair and transparent manner.
 - g) The Scrutiniser, after scrutinizing the votes, will, not later than forty-eight hours from the conclusion of the Meeting; make a consolidated scrutinizer’s report which shall be placed on

the website of the Company, i.e. www.minalindustriesltd.com and on the website of CDSL. The results shall simultaneously be communicated to the Stock Exchanges.

- h) Subject to receipt of requisite number of votes, the resolutions shall be deemed to be passed on the date of the Meeting, i.e. Saturday, December, 26, 2020.
- i) Information and other instructions relating to e-voting are as under:
- i. The remote e-voting facility will be available during the following period:
Commencement of e-voting: From 9:00 a.m. (IST) on Wednesday, December 23, 2020. End of e-voting: Up to 5:00 p.m. (IST) on Friday, December 25, 2020.

The remote e-voting will not be allowed beyond the aforesaid date and time and the e-voting module shall be disabled by CDSL upon expiry of the aforesaid period.

- ii. The Members who have cast their vote by remote e-voting prior to the Meeting may also attend/participate in the Meeting through VC / OAVM but shall not be entitled to cast their vote again.
- iii. The shareholders should log on to the e-voting website www.evotingindia.com.
- iv. Click on “Shareholders” module.
- v. Now Enter your User ID
- a. For CDSL: 16 digits beneficiary ID,
- b. For NSDL: 8 Character DP ID followed by 8Digits Client ID,
- c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
- vi. Next, enter the Image Verification as displayed and Click on Login.
- vii. If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any Company, then your existing password is to be used.
- viii. If you are a first-time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	<p>Enter your 10-digit alpha-numeric *PAN issued by Income Tax Department</p> <p>(Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> Shareholders who have not updated their PAN with the Company/ Depository Participant are requested to use the sequence number which is printed on Attendance Slip indicated in the PAN field or if the same is not updated, member may send an e-mail to MCS SHARE TRANSFER AGENT LTD, at helpdeskbaroda@mcsregistrars.com
Dividend Bank Details	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.
OR Date of	<ul style="list-style-type: none"> If both the details are not recorded with the depository or company,

Birth (DOB)	please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).
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After entering these details appropriately, click on “SUBMIT” tab.

- ix. 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.
- x. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- xi. Click on the Electronic Voting Sequence Number **EVSN- 201203026** for the relevant Minal Industries Limited on which you choose to vote.
- xii. 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.
- xiii. Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- xiv. 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.
- xv. Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- xvi. You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- xvii. If a demat account holder has forgotten the login password, then Enter the User ID and the image verification code and click on Forgot Password& enter the details as prompted by the system.
- xviii. Shareholders can also cast their vote using CDSL’s mobile app m-Voting. The m-Voting app can be downloaded from respective Store. Please follow the instructions as prompted by the mobile app while Remote Voting on your mobile.
- xix. 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 linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favor of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- xx. 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 or call 1800225533.
- xxi. All grievances connected with the facility for voting by electronic means may be addressed to Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai – 400013 or send an email to helpdesk.evoting@cdslindia.com or call 1800225533.
- j) Instructions for Shareholders for e-voting during the Meeting are as under: -
- i. The procedure for e-voting on the day of the Meeting is same as the instructions mentioned above for remote e-voting.
 - ii. Only those Shareholders, who are present in the Meeting through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system available during the Meeting
 - iii. If any Votes are cast by the Shareholders through the e-voting available during the Meeting and if the same Shareholders have not participated in the Meeting through VC/OAVM facility, then the votes cast by such Shareholders shall be considered invalid as the facility of e-voting during the Meeting is available only to the Shareholders attending the Meeting.
16. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the Meeting.
17. Share transfer documents and all correspondence relating thereto, should be addressed to the MCS Share Transfer Agent LTD at 2nd Floor, 10, Aaram Apartment, 12, Sampatrao Colony, B/H Laxmi Hall, Alkapuri, Vadodara-390007 or at their designated email id i.e. helpdeskbaroda@mcsregistrars.com.
18. The Company, consequent upon introduction of the Depository System (“DS”), entered into agreements with NSDL and CDSL. The Members, therefore, have the option of holding and dealing in the shares of the Company in dematerialised form through NSDL or CDSL.
19. The DS envisages elimination of several problems involved in the scrip-based system such as bad deliveries, fraudulent transfers, mutilation of share certificates etc. Simultaneously, DS offers several advantages like exemption from stamp duty on transfer of shares, elimination of concept of market lot, elimination of bad deliveries, reduction in transaction costs, improved liquidity, etc.
20. To prevent fraudulent transactions, Members are advised to exercise due diligence and notify the company of any change in address or demise of any member as soon as possible. Members are also

advised not to leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned DP and holdings should be verified.

21. SEBI has mandated the submission of PAN by every participant of the securities market. Members holding shares in dematerialised form are, therefore, requested to submit their PAN to their DPs with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company MCS Share Transfer Agent LTD.
22. As mandated by SEBI, effective April 01, 2019 except in case of transmission or transposition of securities, requests for effecting transfer of securities shall not be processed unless the securities are held in dematerialised mode with a depository. Accordingly, the Members of the Company were requested to open a demat account and submit physical securities to their DPs.
23. As per Regulation 40(7) of the Listing Regulations, read with Schedule VII to the said Regulations, for registration of transfer of shares, the transferee(s) as well as transferor(s) shall mandatorily furnish copies of their Income Tax PAN Card. Additionally, for securities market transactions and / or for off market / private transactions involving transfer of shares in physical mode for listed Companies, it shall be mandatory for the transferee(s) as well as transferor(s) to furnish copies of PAN Card to the Company/ MCS Share Transfer Agent, for registration of such transfer of shares. In case of transmission of shares held in physical mode, it is mandatory to furnish a copy of the PAN Card of the legal heir(s) / nominee(s). In exceptional cases, the transfer of physical shares is subject to the procedural formalities as prescribed under SEBI Circular No. SEBI/HO/MIRSD/DOS3/CIR/P/2018/139 dated November 06, 2018.
24. Pursuant to Section 72 of the Act, Members are entitled to make a nomination in respect of shares held by them. Members desirous of making a nomination, pursuant to the Rule 19(1) of the Companies (Share Capital and Debentures) Rules, 2014 are requested to send their requests in Form No. SH- 13, to MCS Share Transfer Agent. Further, Members desirous of cancelling/varying nomination pursuant to the Rule 19(9) of the Companies (Share Capital and Debentures) Rules, 2014, are requested to send their requests in Form No. SH-14, to MCS Share Transfer Agent These forms will be made available on request.
25. Since the Meeting will be held through VC/ OAVM, the Route Map and Attendance Slip are not annexed to this Notice.
26. the facility for voting through E-voting on the Resolutions shall be made available during the course of AGM for those who have not voted previously.
27. All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the request of shareholders through E-mail and shall be hosted at the website of the Company on the on all working days, up to and including the date of the Annual General Meeting of the Company.

**INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE MEETING THROUGH VC/OAVM (INSTAMEET)
ARE AS UNDER:**

Instructions for Shareholders/Members to attend the Annual General Meeting through (VC/ OAVM) are as under:

1. Shareholder will be provided with a facility to attend the Meeting through VC/OAVM through the CDSL e-voting system. Shareholders may access the same at [https:// www.evotingindia.com](https://www.evotingindia.com) under Shareholders/Members login by using the remote e-voting credentials. The link for VC/OAVM will be available in Shareholders/ members login where the EVSN of the Company will be displayed.
2. The Members can join the Meeting through VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the Meeting through VC/OAVM will be made available to at least 1000 members on first come first served basis.
However, the participation of large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. are not restricted on first come first served basis.
3. Shareholders are encouraged to join the Meeting through Laptops / I-Pads for better experience.
4. Further Shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the Meeting.
5. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
6. Members who would like to express their views or ask questions during the Meeting may register themselves as a speaker by sending their request from their registered email address mentioning their name, DP ID and Client ID/folio number, PAN, mobile number at cmseepz@gmail.com up to December 25, 2020 (5:00 p.m. IST). Those Shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the Meeting.
7. The Shareholders who have not registered themselves can put the question on the chat box available on the screen at the time of the Meeting.
8. Members who need technical assistance before or during the Meeting can send an email to helpdesk.evoting@cdslindia.com or call 1800225533.

**BY ORDER OF THE BOARD OF
DIRECTORS
FOR MINAL INDUSTRIES LIMITED**

**SD/-
SHRIKANT PARIKH
Chairman
DIN: 00112642**

**DATE: 04.12.2020
PLACE: Mumbai**

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

Item No. 3

Keeping in view the Company's existing and future financial requirements to support its business operations, the Company needs additional funds. For this purpose, the Company is desirous of raising finance from various Banks and/or Financial Institutions and/ or any other lending institutions and/or Bodies Corporate and/or such other persons/ individuals as may be considered fit, which, together with the moneys already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in ordinary course of business) may exceed the aggregate of the paid-up capital and the free reserves of the Company. Hence it is proposed to increase the maximum borrowing limits up to Rs. 50 Crores (Rupees Fifty Crores only). Pursuant to Section 180(1)(c) of the Companies Act, 2013,

the Board of Directors cannot borrow more than the aggregate amount of the paid-up capital of the Company and its free reserves at any one time except with the consent of the members of the Company in a general meeting.

In order to facilitate securing the borrowing made by the Company, it would be necessary to create charge on the assets or whole or part of the undertaking of the Company. Section 180(1)(a) of the Companies Act, 2013 provides for the power to sell, lease or otherwise dispose of the whole or substantially the whole of the undertaking of the Company subject to the approval of members in the General Meeting. None of the Directors and Key Managerial Personnel of the Company or their respective relatives is concerned or interested in the passing of the Resolution.

None of the Directors, Key Managerial Personnel (KMP) and / or Relatives of Directors or KMP are concerned or interested financially or otherwise in the proposed Resolution.

Item No.4

In terms of Section 185 of the Act (as amended by Companies (Amendment) Act, 2017 and notified by Ministry of Corporate Affairs vide notification dated May 7, 2018), the Proposed Loan requires the approval of the members of the Company by way of a Special Resolution.

Above mentioned Entity in Annual report fall under the category of 'a person in whom any of the director of the company is interested' as specified in the explanation to Sub-section 2 of the Section 185 of Companies Act, 2013. Dev Land & Housing Private Limited's principal business activities consist of real estate development. The Entities have plans to accelerate their principle business with its ongoing projects and also has expansion plans, for which there is an ongoing requirement for funds.

The Company may be required to make loan(s) including loan represented by way of Book Debt (the "loan") to, and/or give guarantee(s) and/or provide security(ies) in connection with any loan, including loan represented by way of Book debt, if any (the "Loan") taken/ to be taken by abovementioned entities not exceeding Rs. 50 Crores (Rupees Fifty Crores only).

The Board of Directors seek consent of the Members by way of a Special Resolution for making loan(s) or providing financial assistance or providing guarantee or securities in connection with the loans taken or to be taken by above mentioned Entities for the working capital requirements including purchase of fixed assets as may be required from time to time for the expansion of its business activities and other matters connected and incidental thereon for their principal business activities.

The Board at its meeting has approved the same.

The Board therefore recommends resolution as set out in item No. 4 of the Notice as Special Resolution(s).

Item No.5

The Company from time to time, is required to make investments in securities of bodies corporate which includes Treasury Bills, Call Money Market, Term Deposit, Mutual Funds and Short Term Rated Papers, Treasury Bills, Call Money market, Term Deposit, Mutual Funds and Short Term Rated Papers or for giving loans, guarantees or providing securities to anybody corporate or another person. In order to make investment(s) in excess of limits specified under section 186 of Companies Act, 2013 up to Rs. 100 Crores (Rupees One Hundred Crores only) the Company requires approval from the shareholders in a general meeting. The Board recommends the Special Resolution set out at Item No. 5 of the Notice for approval by the Members. The Board of Directors of the Company considers that this resolution is in the best interests of the Company, its shareholders and therefore, recommends the passing of the special resolution in Item no. 3 as set out in the Notice.

None of the Directors and / or Key Managerial Personnel of the Company or their relatives are, in any way, deemed to be concerned or interested in the said resolution.

None of the Directors, Key Managerial Personnel (KMP) and / or Relatives of Directors or KMP are concerned or interested financially or otherwise in the proposed resolution.

Item No. 6

Section 188 of the Companies Act, 2013 read with Rules 15 and 16 of Companies (Meetings of Board and its Powers) Rules, 2014 prescribes the procedure for approval of related party transaction(s). The provisions of Corporate Governance as per listing obligation and Disclosure Requirements, Regulations 2015 also prescribes seeking of shareholders' approval for material related party transaction(s).

In terms of the provisions of Corporate Governance as per listing obligation and Disclosure Requirements, Regulations 2015, transaction(s) with a related party are considered material if the transaction(s) to be entered into individually or taken together with previous transaction(s) during a financial year exceed 10% of the annual consolidated turnover of the Company as per the last audited financial statements of the Company.

All mentioned parties in resolution are "Related Parties" within the provisions of Corporate Governance as per listing obligation and Disclosure Requirements, Regulations 2015.

In terms of provisions of Corporate Governance as per listing obligation and Disclosure Requirements, Regulations 2015, all material Related Party Transaction(s) shall require the approval of the members through Ordinary Resolution and all entities/persons that are directly/indirectly related parties of the Company shall abstain from voting on such resolutions. Accordingly, the Promoter Group and all such related parties who are shareholders shall abstain from voting on this resolution for approval of material related party transactions.

The disclosures required to be made under the provisions of the Companies Act, 2013 and the Companies (Meeting of Board and its Powers) Rules, 2014 are given herein below:

1. Nature of relationship: All the related parties mentioned in the table above are directly or indirectly controlled by the same management.

3. Nature, material terms, monetary value and particulars of the contract or arrangement: As per Item no. 5 of this Notice.

4. Any other information relevant or important for the members to take a decision on the proposed resolution: The transactions are based on business requirements and are necessary for the smooth and efficient functioning of your Company.

Keeping in view the intent of the law, all transactions (irrespective of the nature of transactions) with a related party have been aggregated while applying threshold limits for seeking your approval.

The above contracts/arrangements/transactions were approved by the Audit Committee and the Board of Directors as the same are in the interest of the Company.

The Board of Directors recommends the Resolution set out in Item No. 6 of the accompanying notice for the approval by the unrelated shareholders of the Company. The Related parties to the extent applicable are concerned or interested financially or otherwise in the proposed resolution.

**BY ORDER OF THE BOARD OF
DIRECTORS
FOR MINAL INDUSTRIES LIMITED**

**SD/-
SHRIKANT PARIKH
Chairman
DIN: 00112642**

**DATE: 04.12.2020
PLACE: Mumbai**

DIRECTORS' REPORT

To,
The Members,
MINAL INDUSTRIES LIMITED

Your Directors have great pleasure in presenting their 32nd Annual Report along with the Audited Balance Sheet and Profit and Loss Account for the year ended 31st March 2020.

FINANCIAL RESULTS:

The financial Results are briefly indicated below:

<i>Particulars</i>	(Rs. in Lakhs)			
	Standalone Year ended		Consolidated Year Ended	
	31.03.2020	31.03.2019	31.03.2020	31.03.2019
Revenue from operation	0	0	3848.78	4059.37
Other Income	233.05	99.06	135.21	142.96
Total Income	233.05	99.6	3983.98	4202.33
Total Expenditure	684.60	106.37	4919.30	4136.03
Net Profit Before tax	-261.82	-7.31	-745.58	66.30
Less: Tax Expenses				
Current Tax	0	0	0	18.15
Deferred Tax	0.08	8.21	4.04	33.38
MAT Credit	0	0	0	18.15
Net Profit After Tax	-261.90	0.896	741.54	32.92
Less : Comprehensive Income	0	0	21.99	6.507
Total comprehensive income for the year	-261.90	0.896	-719.54	26.41

REVIEW OF FINANCIAL OPERATIONS:

During the year the company reported a Revenue from operation amounting to Rs. Nil/- and other Income of Rs. 2,33,04,807/- (Rupees Two Crores Thirty-Three Lakhs Four Thousand Eight Hundred and Seven Only) in Standalone Financial Statement as compared to Other Income of Rs. 99,05,756/- (Nineteen Lakhs Five Thousand Seven Hundred and Fifty-Six) in Previous Financial Year.

The company incurred an expenditure of Rs. 6,84,60,177/- (Rupees Six Crores Eighty-Four Lakhs Sixty Thousand One Hundred and Seventy-Seven Only) in Standalone Financial Statement for the current financial year as compared to Rs. 1,06,36,790/- (Rupees One Crores Six Lakhs Thirty-Six Thousand Seven Hundred and Ninety Only) in previous year.

During the year company has reported a net loss of Rs. 2,61,81,948 (Rupees Two Crores Sixty-one Thousand Eighty-One Thousand Nine Hundred and Forty-Eight Only) as compared to previous year's net loss of Rs. 89,618 (Rupees Eighty-Nine Thousand Six Hundred and Eighteen Only) in Standalone Financial Statement.

During the year the company reported a Revenue from operation amounting to Rs. 39,48,77,920/- (Thirty-Nine Crores Forty-Eight Lakhs Seventy-Seven Thousand Nine Hundred Twenty only).

During the year company has reported a Total comprehensive Loss amounting to Rs. 7,19,54,446 /- (Rupees Seven Crores Nineteen Lakhs Fifty-Four Thousand Four Hundred and Forty-Six Only) as compared to previous year's Total comprehensive Income of Rs. 26,40,851/- (Rupees Twenty-Six Lakhs Forty Thousand Eight Hundred and Fifty-One Only) in Consolidated Financial Statement.

CONSOLIDATED ACCOUNTS:

The Consolidated Financial Statements of your Company for the financial year 2019-20 are prepared. Further Consolidated Accounts in compliance with applicable provisions of the Companies Act, 2013 read with the Rules issued thereunder, applicable Accounting Standards and the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as the "Listing Regulations") and upload on the Website of the Company in due course of time.

TRANSFER TO RESERVES:

There are no transfers to any specific reserves during the year.

SUBSIDIARIES:

A separate statement containing the salient features of financial statements of all subsidiaries of your Company forms part of consolidated financial statements in compliance with Section 129 and other applicable provisions, if any, of the Companies Act, 2013. The financial statements of the subsidiary companies and related information are available for inspection by the members at the Registered Office of your Company during business hours on all days except **Saturdays, Sundays and public holidays** up to the date of the Annual General Meeting ('AGM') as required under Section 136 of the Companies Act, 2013. Any member desirous of obtaining a copy of the said financial statements may write to the compliance officer at the registered office of Company. The financial statements including the consolidated financial statements, financial statements of subsidiaries and all other documents required to be attached to this report have been uploaded on the website of your Company *(www.minalindustriesltd.com). As stated in audit report the consolidated accounts of subsidiaries are not audited accounts.

*Note – Due to some technical issues website of the company can't be reached hence the website of the company is not a functional website. Our technical support team is working on it.

The detail of financial performance of Subsidiary/ Joint Venture/Associate Company is furnished in **Annexure C** and attached to this report.

THE CHANGE IN THE NATURE OF BUSINESS, IF ANY:

There was no change in the nature of business of the Company, during the year under review.

MANAGEMENT DISCUSSION AND ANALYSIS:

A detailed analysis of the Company's operations in terms of performance in markets, manufacturing activities, business outlook, risks and concerns forms part of the Management Discussion and Analysis, a separate section of this report. Management Discussion and analysis report is annexed hereto marked as **Annexure-G** and forms part of this report.

TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND.

There was no transfer during the year to the Investor Education and Protection Fund in terms of Section 125 of the Companies Act, 2013.

DIVIDEND

Your Directors do not recommend dividend for the year 31st March, 2020.

PUBLIC DEPOSITS:

During the year under review, your Company has not accepted any deposit within the meaning of Sections 73 and 74 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014 (including any statutory modification(s) or re-enactment(s) for the time being in force).

MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY:

The Company has suspended by Bombay Stock Exchange, however the Management informed that Company has received notice regarding initiation of and completion of the formalities for revocation of suspension of trading in the securities of the Company dated 19th March, 2019.

Further there were no material changes and commitments affecting the financial position of the Company during the financial year of the Company to which the financial statements relate and the date of the report.

CORPORATE GOVERNANCE REPORT:

In compliance with Regulation 34(3) of the LODR Regulation, 2015, a separate report on Corporate Governance along with a certificate from the Practicing Company Secretary on its compliance, forms an integral part of this report. Corporate Governance report is annexed hereto marked as **Annexure-F** and forms part of this report.

INDUSTRIAL RELATIONS:

Your Company has always considered its workforce as its valuable asset and continues to invest in their excellence and development programs. Your Company has taken several initiatives for enhancing employee engagement and satisfaction.

DIRECTORS AND KEY MANAGERIAL PERSONNEL:

Retirement by rotation and subsequent re-appointment:

Mr. Sona Parikh, Director is liable to retire by rotation at the ensuing AGM pursuant to the provisions of Section 152 of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and the Articles of Association of your Company and being eligible have offered themselves for reappointment. Appropriate resolutions for their re-appointment are being placed for your approval at the ensuing AGM. Your Directors recommend his re-appointment as Non-Executive Director of your Company.

Disclosure Relating to Remuneration of Directors, Key Managerial Personnel and particulars of Employees:

The Company has not paid remuneration to the Directors. The Chairman of Nomination and Remuneration committee was not an independent Director of the Company hence Composition of the Nomination and Remuneration Policy formulated was not in accordance with Section 178 of the Companies Act, 2013 and Regulation 19 of the Listing Regulations (including any statutory modification(s) or re-enactment(s) for the time being in force). The salient aspects covered in the Nomination and Remuneration Policy have been outlined in the Corporate Governance Report which forms part of this report.

The Managing Director & CEO of your Company does not receive remuneration from any of the subsidiaries of your Company.

The information pursuant to Section 197 of the Act read with Rule 5 (1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 relating to median employee's remuneration will be made available at the registered office of the Company during working hours for a period of twenty-one (21) days before the date of the meeting, i.e. from 6th December, 2020 till 26th December, 2020.

Directors Responsibility Statement:

Pursuant to Section 134(3)(c) of the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) for the time being in force), the Directors of your Company confirm that:

- (1) In the preparation of the annual accounts for the financial year ended 31st March, 2020, the applicable Accounting Standards and Schedule III of the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) for the time being in force), have been followed and there are no material departures from the same;
- (2) The Directors have 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 your Company as at 31st March, 2020 and of the profit and loss of the Company for the financial year ended 31st March, 2020;
- (3) Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) for the time being in force) for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (4) The annual accounts have been prepared on a 'going concern' basis;
- (5) Proper internal financial controls laid down by the Directors were followed by your Company and that such internal financial controls are adequate and operating effectively; and
- (6) Proper systems to ensure compliance with the provisions of all applicable laws were in place and that such systems were adequate and operating effectively.

ATTRIBUTES, QUALIFICATIONS & INDEPENDENCE OF DIRECTORS, THEIR APPOINTMENT AND REMUNERATION.

The Nomination & Remuneration Committee of Directors have approved a Policy for Selection, Appointment and Remuneration of Directors which inter-alia requires that composition and remuneration is reasonable and sufficient to attract, retain and motivate Directors, KMP and senior management employees and the Directors appointed shall be of high integrity with relevant expertise and experience so as to have diverse Board and the Policy also lays down the positive attributes/criteria while recommending the candidature for the appointment as Director. The policy on Company's Remuneration and Nomination is posted on Company's website at www.minalindustriesltd.com

*Note – Due to some technical issues website of the company can't be reached hence the website of the company is not a functional website. Our technical support team is working on it.

During the year under review, no Independent Director of the Company was resigned.

DECLARATION OF INDEPENDENCE:

In terms of provisions of Section 149(7) of the Companies Act, 2013, all the Independent Directors of the Company have furnished a declaration to the Compliance Officer of the Company at the meeting of the Board of Directors stating that they fulfill the criteria of Independent Director as prescribed under Section 149(6) of the Companies Act, 2013 and are not being disqualified to act as an Independent Director. In terms of Regulation 25 sub-regulation 7 of the SEBI (LODR) Regulations 2015, the Company has adopted a familiarization programme for Independent Directors. Link to file <http://minalindustriesltd.com/01.%20Familiarisation%20Programme%20for%20Independent%20Directors.PDF>

*Note – Due to some technical issues website of the company can't be reached hence the website of the company is not a functional website. Our technical support team is working on it.

MEETING OF INDEPENDENT DIRECTORS:

The Independent Directors met once during the year on 14th February, 2020 to review the working of the Company, its Board and Committees. The meeting decided on the process of evaluation of the Board and Audit Committee. It designed the questionnaire on limited parameters and completed the evaluation of the Board by Non-Executive Directors and of the Audit committee by other members of the Board. The same was compiled by Independent authority and informed to the members.

REPORTING OF FRAUD BY AUDITORS

During the year under review, the Statutory Auditors, and Secretarial Auditor have not reported any instances of frauds committed in the Company by its Officers or Employees to the Audit Committee under section 143(12) of the Act, details of which needs to be mentioned in this Report.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES

The particulars of contracts or arrangements with related parties referred to in Section 188(1), as prescribed in Form AOC - 2 of the rules prescribed under Chapter IX relating to Accounts of Companies under the Companies Act, 2013, is appended as **Annexure-D** and forms part of this report.

All Related Party Transactions are presented to the Audit Committee and the Board. Omnibus approval is obtained for the transactions which are foreseen and repetitive in nature. A statement of all related party transactions is presented before the Audit Committee on a quarterly basis, specifying the nature, value and terms and conditions of the transactions.

The Related Party Transactions Policy as approved by the Board is uploaded on the Company's website at www.minalindustriesltd.com.

*Note – Due to some technical issues website of the company can't be reached hence the website of the company is not a functional website. Our technical support team is working on it.

***POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION:**

The remuneration paid to the Directors is in accordance with the Nomination and Remuneration Policy formulated in accordance with Section 178 of the Companies Act, 2013 and Regulation 19 of the Listing Regulations (including any statutory modification(s) or re-enactment(s) for the time being in force). The salient aspects covered in the Nomination and Remuneration Policy have been outlined in the Corporate Governance Report which forms part of this report. The Managing Director & CEO of your Company does not receive remuneration from any of the subsidiaries of your Company.

KEY MANAGERIAL PERSONNEL:

The Board of Directors of the Company has designated following Director(s)/Official(s) of the company as Key Managerial Personnel (KMP) of the Company in terms of provisions of Section 203 of the Companies Act, 2013:

1. Mr. Shrikant J Parikh, Managing Director.
2. Mrs. Harshala Keshav Karangutkar, Chief Financial Officer.

No Key Managerial Personnel (KMP) of the Company has resigned during the financial year ended 31st March, 2020.

EVALUATION PROCESS:

The Board of Directors of the Company has established a framework for the evaluation of its own performance and that of its committees and individual Directors of the Company. The certain parameters covering the evaluation of the Chairman, Executive Directors and Independent Directors have been fixed by the Board on the basis of which the evaluation is being carried out on annual basis in terms of provisions of the Companies Act, 2013.

NUMBER OF MEETINGS OF THE BOARD AND ITS COMMITTEES:

The details of the meetings of the Board of Directors and its Committees, convened during the financial year 2019-20 are given in the Corporate Governance Report which forms a part of this report. Corporate Governance report is annexed hereto marked as **Annexure-F** and forms part of this report.

AUDITORS AND AUDITORS' REPORT:

Statutory Auditors:

M/s. H P V S & Associates, Chartered Accountants having firm registration No: 137533W, Mumbai were appointed as Statutory Auditors of the company for a period of 5 years, from the conclusion of this Annual General Meeting till the conclusion of 36th Annual General Meeting at a remuneration of Rs. 6,45,000 P.A. to be fixed by the Audit Committee and/or Board of Directors of the Company.

REPORT ON FINANCIAL STATEMENTS

There are Two (2) qualifications, reservations or adverse remarks or disclaimers made by M/s. HPVS & Associates, Chartered Accountants Statutory Auditors, in their report. The Statutory Auditors have not reported any incident of fraud to the Audit Committee of the Company in the year under review. The said qualifications are self-explanatory.

DIRECTORS COMMENTS ON AUDITORS QUALIFICATION:

- a) *We draw attention to Note 8 to the statement which explains that the Company's management has applied principles of prudence to assess the impact of COVID-19 pandemic on the financial statements. In view of the highly uncertain future economic conditions associated with the pandemic, the actual impact on the financial statements in the subsequent periods is highly dependent upon the circumstances as they evolve.*

Director's Comment:

Yes, the actual impact on the financial statements in the subsequent periods is highly dependent upon the circumstances as they evolve.

- b) The Company has incurred net losses of Rs. 261.81 lakhs during the year ended March 31, 2020 and Rs. 7.31 lakhs during year ended March 31, 2019. The Company's ability to meet its obligations is dependent on uncertain events including time bound monetisation of assets. These factors indicate the existence of a material uncertainty which may cast significant doubt about the Company's ability to continue as a going concern. In response to this matter, management continues to strengthen its strategy to expand its market in order for the Company to increase its sales and eventually generate profit. In spite of these events or conditions which may cast a doubt on the ability of the company to continue as a going concern, the management is of the opinion that going concern basis of accounting is appropriate in view of the continued financial support from its Promoters. Accordingly, the standalone annual financial results of the Company have been prepared on a going concern basis.

Director's Comment:

Company has net worth of Rs. 57,41,17,312/- (Rupees Fifty-Seven Crore Forty-One Lakh Seventeen Thousand Three Hundred and Twelve only) as on 31st March 2020. Company have three Subsidiary Companies & Company also have future expansion plans.

SECRETARIAL AUDIT:

The Board has appointed **M/s. HS Associates.**, Practicing Company Secretaries as Secretarial Auditor for the Financial Year 2019-20 in terms of provisions of Section 204 of the Companies Act, 2013. The Secretarial Audit Report of the Company for the financial year ended 31st March, 2020 in the prescribed form MR-3 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is enclosed as **Annexure E** to this report.

DIRECTORS COMMENTS ON AUDITORS QUALIFICATION:

1. *The company has not appointed Company Secretary as required under section 203 read with rule 8 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and thus the financial statements have not been authenticated by a whole time Company Secretary under Section 203 of the Companies Act 2013.*

In view of the Carried Forward Losses, the Company Could not find a suitable candidate as Company Secretary.

2. *The unpaid dividend amount which was required to be transferred to the Investor Education and Protection Fund in accordance with the relevant provisions of the Companies Act 2013 and the rules made thereunder had not been transferred.*

Delay has occurred due to some technical error in the process of transferring the same to IEPF.”

3. *The Company has given loans to group concerns in contravention of Section 185 of the Companies Act 2013.*

Due to urgent necessity company has given and taken loans.

4. *The Company has given loans in contravention of Section 186 of the Companies Act 2013.*

Due to urgent necessity company has given and taken loans.

5. *During Period under review, The Promoters of the Company holds 11,44,85,205 shares out of which 7,54,85,205 shares demat form i.e. 65.94% of Total shareholding of Promoter.*

The company is in process of Dematerialization of Shares.

7. *During Period under review, there has been delay in complying BSE and LODR Compliances.*

The Statutory Auditor of the Company had vacated the Office during the Financial Year due to expiry of the peer review validity certificate and hence the quarterly financial results had submitted delay to the BSE Ltd. The benpose of the block due to late in payment of annual fees to respective depositories.

8. *Company does have website but during period under review Company has not complied with regulation 46 of LODR, However, due to some technical issues website of the Company is not working.*

The Company have website and not functional due to non-payment of domain expenses. The Company will pay the same and prepare functional website.

9. Company has not complying with regards to Section 101 of the Companies Act, 2013 and Regulation 34 of LODR.

There has been delay in Complying Section 101 of the Companies act 2013 & Regulation 34 of the LODR

10. The Company has not complied with majority of Secretarial Standards issued by The Institute of Company Secretaries of India.

Due to Financial weakness Company has not complied Secretarial Standards.

11. The Chairman of the Nomination Remuneration Company was not an Independent Director of the Company hence Composition of Nomination Remuneration Committee was not in accordance with Regulation 19 of LODR.

The Company has Complied with Regulation 19 of LODR w.e.f. 02.06.2020

12. During Period under review Company has not complied with section 188 of the Companies act 2013.

Due to urgent necessity company had entered with related party transactions.

COST AUDIT:

In pursuant to Companies (Cost Records and Audit) Amendment Rules, 2014 notified by the Ministry of Corporate Affairs (MCA) on 31 December, 2014, the Company shall not be mandatorily required to get its Cost Records for the financial year 2019-2020 audited in terms of provisions of Section 148 of the Companies Act, 2013 as the Industry under which the Company falls has been exempted from the Cost Audit by MCA vide Companies (Cost Records and Audit) Amendment Rules, 2014. Therefore, the audit of cost records for the financial year ended on 31 March, 2020 has not been undertaken in terms of the Companies (Cost Records and Audit) Amendment Rules, 2014.

EXTRACT OF ANNUAL RETURN:

Pursuant to the provisions of Section 134(3) (a) and Section 92(3) of the Companies Act, 2013 read with Rule 12 of the Companies (Management and Administration) Rules, 2014 and regulation 46 of LODR, the Annual Return of the Company as at March 31, 2020 is uploaded on the website of the Company and can be accessed at website of the Company.

LISTING OF SHARES:

The Equity Shares of the Company are listed on the BSE Limited, Mumbai. However, the trading of Shares has been suspended by BSE. Your company has complied the compliances as required by the BSE and the requisite approval for resumption of trading is awaited.

RELATED PARTY CONTRACTS AND ARRANGEMENTS:

The particulars of the undergoing contracts or arrangements of the Company with related parties during the period under review referred to in Section 188(1) of the Company Act, 2013 were in ordinary course of business and on arm's length basis. During the year, the Company had entered into any contract/ arrangement/ transaction with related parties which could be considered material in accordance with the related party transaction policy of the Company. The prescribed form AOC-2 of the Companies (Accounts) Rules, 2014 is enclosed as **Annexure D** to this report.

LOANS AND INVESTMENTS:

The Company has not complied with Section 186 & 185 of the Companies act 2013 and details of loans, guarantees and investments under the provisions of Section 186 of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014, as on 31st March, 2020, are not given separately and forms part of the Standalone Financial Statement forming part of this report.

COMPLIANCE OF APPLICABLE SECRETARIAL STANDARDS

Your Directors hereby inform you that the Company has not complied with the necessary provisions of the revised Secretarial Standard 1 and Secretarial Standard 2 to the extent applicable to the Company.

ENHANCING SHAREHOLDER VALUE

Your company firmly believes that its success, the marketplace and a good reputation are among the primary determinants of value to the shareholder. The organizational vision is founded on the principles of good governance and delivering leading-edge products backed with dependable after sales services.

CAUTIONARY STATEMENT

Statements in the Board's Report and the Management Discussion & Analysis describing the Company's objectives, expectations or forecasts may be forward looking within the meaning of applicable securities laws and regulations. Actual results may differ materially from those expressed in the statement. Important factors that could influence the Company's operation include global and domestic demand and supply conditions affecting selling prices of Raw Materials, Finished Goods, input availability and prices, changes in government regulations, tax laws, economic developments within and outside the country and various other factors. The current Covid 19 pandemic has also affected the operations of the Company.

The Management's Discussion and Analysis Report for the year under review, as stipulated under regulation 34 (3) and Part B of schedule V of the SEBI (Listing Obligation and Disclosure Requirement) Regulation 2015, is annexed to this report. **(Annexure G)**

ANNUAL EVALUATION OF THE PERFORMANCE OF THE BOARD, ITS COMMITTEES AND OF INDIVIDUAL DIRECTORS HAS BEEN MADE.

During the year, the Board adopted a formal mechanism for evaluating its performance and as well as that of its Committees and individual Directors, including the Chairman of the Board. The exercise was carried out through a structured evaluation process covering various aspects of the Boards functioning such as composition of the Board & committees, experience & competencies, performance of specific duties & obligations, governance issues etc. Separate exercise was carried out to evaluate the performance of individual Directors including the Board Chairman who were evaluated on parameters such as attendance, contribution at the meetings and otherwise, independent judgment, safeguarding of minority shareholders interest etc.

The evaluation of the Independent Directors was carried out by the entire Board and that of the Chairman and the Non-Independent Directors were carried out by the Independent Directors.

The Directors were satisfied with the evaluation results, which reflected the overall engagement of the Board and its Committees with the Company.

WHISTLE BLOWER POLICY/ VIGIL MECHANISM:

In terms of provisions of Section 177 of the Companies Act, 2013, the Company has established an effective mechanism called Vigil Mechanism (Whistle Blower Mechanism). The mechanism under the Policy has been appropriately communicated within the organization. The purpose of this policy is to provide a framework to promote responsible whistle blowing by employees. It protects employees wishing to raise a concern about serious irregularities, unethical behavior, actual or suspected fraud within the Company by reporting the same to the Audit Committee.

Protected disclosure can be made by the whistle blower in a closed and secured envelope or send through e-mail to the Compliance Officer. During the year under review, no employee was denied access to the Audit Committee.

The Whistle Blower Policy/ Vigil Mechanism Policy is available on the website of the Company at www.minalindustriesltd.com

*Note – Due to some technical issues website of the company can't be reached hence the website of the company is not a functional website. Our technical support team is working on it.

CORPORATE SOCIAL RESPONSIBILITY:

The company has not developed and implemented any Corporate Social Responsibility initiatives as the said provisions are not applicable for the period under review.

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

The information in accordance with the provisions of Section 134(3) (m) of the Companies Act, 2013 read with the Rule 8 of the Companies (Accounts) Rules, 2014 is given in **Annexure B** to this Report.

INTERNAL AUDITORS:

The Company have Appointed M/s. R. H. Modi & Co. as an Internal Auditor of the Company for the Financial Year 2019-20 as required under Section 138 of the Companies Act 2013.

SECRETARIAL AUDITORS

The Board has appointed HS Associates, Practicing Company Secretaries as the Secretarial Auditor of the Company for the financial year 2020-2021.

The secretarial Audit report (MR-3) of M/s. HS Associates for the period 2019-20 is annexed herewith as **Annexure-E**.

COST AUDITORS:

As per Section 148 read with Companies (Audit & Auditors) Rules, applicable to cost auditors, the company was not liable to appoint Cost auditors for the financial year 2019-20.

INTERNAL FINANCIAL CONTROLS AND THEIR ADEQUACY:

Minal Industries Limited has a proper and adequate system of internal financial controls which includes the policies and procedures for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information.

PARTICULARS OF EMPLOYEES:

There are no employees in the Company, who if employed throughout the financial year, were in receipt of remuneration, whose particulars if so employed, are required to be included in the report of the Directors in accordance with the provisions of Rule 5 (2) and Rule 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

SUBSIDIARIES COMPANY'S:

As on 31st March, 2020, Company has Following subsidiaries Companies.

1. Minal International FZE
2. Minal Infojewels Ltd

COMMITTEES OF THE BOARD:

During the year, in accordance with the Companies Act, 2013, the Board re-constituted some of its Committees. There are currently three Committees of the Board, as follows:

- Audit Committee
- Nomination and Remuneration Committee
- Stakeholders' Relationship Committee

DISCLOSURES UNDER SECTION 134 OF THE COMPANIES ACT, 2013:

Except as disclosed elsewhere in the Annual Report, there have been no material changes and commitments, which can affect the financial position of the Company between the end of financial year and the date of this report. As stated in audit report Consolidated accounts are not audited accounts.

COURT/TRIBUNAL ORDERS:

Except for suspension of Trading by BSE vide order date 21st December 2015, there were no instances of any significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future.

RISK MANAGEMENT POLICY

The Board has adopted the Risk Management Policy based on the recommendation of the Risk Management Committee in order to assess, monitor and manage risk throughout the Company.

Risk is an integral part of the Company's business, and sound risk management is critical to the success of the organization.

Detailed information on risk management is provided in the Management Discussion and Analysis Report.

ACKNOWLEDGEMENTS

Your Directors take this opportunity to express their gratitude for the assistance and continued co-operation extended by Banks, Government authorities, clients, and suppliers. The Directors are pleased to record their sincere appreciation for the devotion and sense of commitment shown by the employees at all levels and acknowledges their contribution towards sustained progress and performance of your Company.

**By Order of the Board
For MINAL INDUSTRIES LIMITED**

**Sd/-
SHRIKANT J PARIKH
(CHAIRMAN & MANAGING DIRECTOR)
(DIN 00112642)**

DATE: 22.10.2020

PLACE: Mumbai

Annexure - A

To,
The Members,
MINAL INDUSTRIES LIMITED

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

1. Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these Secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness appropriateness of financial records and books of accounts of the Company.
4. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedures on test basis.
5. The Secretarial audit report is neither an assurance as to the future viability of the Company nor of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Date: 22.10.2020
Place: Mumbai

For HS Associates
Company Secretaries

Sd/-
Prakash D Naringrekar
Partner
ACS No.: 5941
CP No.: 18955

Annexure B
CONSERVATION OF ENERGY

Report on Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo and forming part of Board's Report for the year ended 31st March, 2020.

(A) Conservation of Energy:

(i) Steps taken or impact on conservation of energy: The Company is taking adequate steps progressively on conservation of energy.

(ii) Steps taken by the Company for utilizing alternate sources of energy: The company is not making use of alternate sources of energy.

(iii) Capital investment on energy conservation equipment's: During the Financial year 2019-2020 the company has not spent amount on capital investment on energy conservation equipment's.

(B) Technology absorption: -

1.	Efforts made towards technology absorption	The company has installed certain precision equipment's.
2.	The benefits derived like product improvement, cost reduction, product development or import substitution	The installed equipment's has resulted in enhanced production capacity and better-quality product at lower power consumption
3.	In case of imported technology (imported during the last three years reckoned from the beginning of the financial year: a) the details of technology imported b) the year of import c) whether the technology been fully absorbed d) If not fully absorbed, areas where absorption has not taken place, and the reasons thereof	The company has not imported technology during the last three financial years.

C. Foreign Exchange Earnings and Outgo:

YEAR	Amount in	
	INR	
	2019-2020	2018-2019
Foreign Exchange earned (CIF value of Imported Goods)	NIL	NIL
Foreign Exchange spent (FOB value of Exports)	NIL	NIL

Annexure E
Secretarial Audit Report

Form No. MR-3

For Financial Year Ended On 31st March, 2020.

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

To,
The Members,
Minal Industries Limited.

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

Based on our verification of the Company, books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the Company has, during the audit year covering the financial year ended on 31st March, 2020, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers and minute books, Forms and returns filed and other records maintained by the Company for the financial year ended on 31st March 2020, to the extent applicable 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**") were applicable during the period: -
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b. Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015

- c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- d. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993;
- e. The Company has complied with the requirements under the Equity Listing Agreements entered into with BSE Limited

We further report that, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test – check basis, the Company has no operations, hence, majority of specific laws are not applicable to the company except Income Tax Act, 1961.

We 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 Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015

During the year under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards and Listing Agreement/Obligations mentioned above subject to the following observations:

1. The company has not appointed Company Secretary as required under section 203 read with rule 8 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and the financial statements have not been authenticated and signed by a whole time Company Secretary and Chief Financial Officer of the Company under Section 134 of the Companies Act 2013.
2. The unpaid dividend amount which was required to be transferred to the Investor Education and Protection Fund in accordance with the relevant provisions of the Companies Act 2013 and the rules made thereunder has not been transferred.
3. The Company has given loans to group concerns in contravention of Section 185 of the Companies Act 2013.
4. The Company has given a loan in contravention of Section 186 of the Companies Act, 2013.
5. During Period under review, The Promoters of the Company holds 11,44,85,205 equity shares out of which 7,54,85,205 equity shares are in demat form i.e. 65.94% of Total shareholding of Promoter.
6. During the Period under review, there has been delay in complying with BSE and LODR Compliances.
7. Company does have website but during period under review Company has not complied with regulation 46 of LODR, However, due to some technical issues website of the Company is not working.
8. Company had not complied with Section 101 of the Companies Act, 2013 and Regulation 34 of LODR.

9. The Company has complied majority of Secretarial Standards issued by The Institute of Company Secretaries of India.
10. The Chairman of the Nomination Remuneration Company was not an Independent Director of the Company hence Composition of Nomination Remuneration Committee was not in accordance with Regulation 19 of LODR.
11. During Period under review Company has not complied with section 188 of the Companies act 2013.
12. 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.

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. In Board Composition changes took place during the year under review.

Adequate notice of meetings was given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance as per LODR, 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.

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

We further report that during the audit period;

- The Company shares are suspended for trading on Bombay Stock Exchange Limited.

This report is to be read with our letter of even date which is annexed as Annexure – 1 and forms an integral part of this report.

Date: 22.10.2020
Place: Mumbai

For HS Associates
Company Secretaries
UDIN – A005941B001035321

Sd/-
Prakash Naringrekar
Partner
ACS No.: 5941
CP No.: 18955

Annexure 1

To the Secretarial Auditors Report for the financial year ended March 31, 2020

To,

The Members,

Minal Industries Limited

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

1. Maintenance of Secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on the test basis to ensure that correct facts are reflected in Secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
4. Where ever required, we have obtained the Management representation about compliance of laws, rules and regulations and happenings of events etc.
5. The compliance of provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of efficacy or effectiveness with which the management has conducted the affairs of the Company.
7. This report is based on the data received from the company partially through electronic mode as physical verification of the data and corresponding documents from the month of February 2020 could not be accessed during the course of audit due to the ongoing nationwide lockdown on account of COVID-19 pandemic.

Date: 22.10.2020

Place: Mumbai

**For HS Associates
Company Secretaries**

**Sd/-
Prakash Naringrekar
Partner
ACS No.: 5941
CP No.: 18955**

**Annexure - C
Form AOC-1**

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

Part "A": Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in Rs.)

Sr No.	Particulars		
1	Name of the subsidiary	MINAL INTERNATIONAL FZE	Minal Infojewels Ltd
2	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	01.04.2019 to 31.03.2020	01.04.2019 to 31.03.2020
3	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	20.536 INR	NA
4	Share capital	30,80,400	1,23,50,000
5	Reserves & surplus	-5158725.344	-5,98,86,339
6	Total assets	32861111.66	73,37,14,290
7	Total Liabilities	34939437	721364,290
8	Investments	0	0
9	Turnover	0	0
10	Loss before taxation	2092885.37	4,62,76,436
11	Provision for taxation	0	4,11,793
12	Loss after taxation	2092885.37	4,58,64,643
13	Proposed Dividend	0	0
14	% of shareholding	100%	49.40%

Notes: The following information shall be furnished at the end of the statement:

1. Names of subsidiaries which are yet to commence operations
2. Names of subsidiaries which have been liquidated or sold during the year.

Part “B”: Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Name of associates / Joint Ventures	C Mahendra Infojewels Limited
I. Latest audited Balance Sheet Date	31 st March, 2020
II. Shares of Associate / Joint Ventures held by the Company on the year end	NA
Amount of Investment in Associates / Joint Venture	81,000
III. Description of how there is significant influence	NA
IV. Reason why the associate / Joint Venture is not consolidated	NA
V. Net worth attributable to shareholding as per latest audited Balance Sheet	NA
VI.	
a. Considered in Consolidation	NA
b. Not Considered in Consolidation	NA

- 1. Names of associates or joint ventures which are yet to commence operations.**
- 2. Names of associates or joint ventures which have been liquidated or sold during the year.**

Note: This Form is to be certified in the same manner in which the Balance Sheet is to be certified.

Annexure - D
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 the related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms-length transactions under third proviso thereto.

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

All transactions are at Arm's Length Price.

Details of contracts or arrangements or transactions at arm's length basis:

Name of the Related Party & Nature of Relationship	Nature of contracts / arrangements /transaction	Duration of the contracts / arrangements /transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Date(s) of approval by the Board, if any:	Amount paid as advances, if any
Minal Infojewels Ltd	Subsidiary Company	Recurring Annually	Sale of Property, Plant and Equipment	02/06/2020	NA

Notes: The following information shall be furnished at the end of the statement:

1. Names of subsidiaries which are yet to commence operations
2. Names of subsidiaries which have been liquidated or sold during the year.

Annexure – E
CORPORATE GOVERNANCE REPORT

1. COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE:

The Corporate Governance regulations were issued by Security and Exchange Board of India (SEBI) (Listing Obligation and Disclosure Requirements) Regulations, 2015 (with effect from 1st December, 2015) and as amended from time to time. The same has been implemented by the Company. The Company believes in maximum utilization of resources at minimum cost and attaining maximum long-term shareholders' value. The Governance Philosophy of your Company is based on strong foundations of ethical values and professionalism which over the years has become a part of its culture. Timely and accurate disclosure of information regarding the financial situation, performance, ownership and management of the Company is an important part of corporate governance.

As on 31st March, 2020 Company's paid up share capital Rs. 38,38,01,300 /- (Rupees Thirty-Eight Crores Thirty-Eight Lakhs One Thousand Three Hundred only.) and Net worth is of Rs. 57,41,17,312/- (Rupees Fifty-Seven Crore Forty-One Lakh Seventeen Thousand Three Hundred and Twelve only.) Hence compliance with Corporate Governance provisions as per Listing Obligations & Disclosure requirements (LODR) Regulations, 2015 is applicable from the Financial Year 2019-2020.

2. BOARD OF DIRECTORS:

a) Composition and Category of Board of Directors:

- The Board of the Company comprised of 4 (Four) Directors as on March 31, 2020 out of which 1 (One) is Promoter Executive Managing Director, 2 (Two) is Non Promoter Independent Non-Executive Directors and 1(One) is Non-Executive Director of the Company.
- There isn't any Nominee Director or Institutional Directors appointed in the Company.
- None of Directors has pecuniary or business relationship with the Company other than as mentioned elsewhere in Annual Report. No Director of the Company is either member in more than 10 (Ten) committees and/or Chairman of more than 5 (Five) committees across all Companies in which he or she is a Director.

b) Details of attendance of each Director at the meeting of the board of Directors and the last Annual General Meeting:

The following table gives the attendance of the Directors at Board Meetings of the Company and also other Directorship other than the Company and Chairmanship/Membership in Board Committees of Listed public limited companies:

Sr. No.	Name of Director	Category	Board Meetings Attended	Attendance at Last AGM	*No. of other Directorship	No. of Other Committee Membership/Chairmanship in other Companies
1.	Mr. Shrikant Parikh	Chairman & Managing Director	12/04/2019 30/04/2019 14/08/2019 05/09/2019 27/09/2019 14/11/2019 11/02/2020	Yes	Nil	Nil
2.	Mr. Sona Parikh	Non-Executive, Director	12/04/2019 30/04/2019 14/08/2019 05/09/2019 27/09/2019 14/11/2019 11/02/2020	Yes	Nil	Nil
3.	Mr. Shankar Prasad Bhagat	Independent, Non-Executive Director	12/04/2019 30/04/2019 14/08/2019 05/09/2019 27/09/2019 14/11/2019 11/02/2020	Yes	Nil	Nil
4.	Mr. Amulbhai Jethabhai Patel	Independent, Non-Executive Director	12/04/2019 30/04/2019 14/08/2019 05/09/2019 27/09/2019 14/11/2019 11/02/2020	Yes	Nil	Nil

* Directorship only of Listed public limited company is considered

c) Number of other board of Directors or committees in which a Directors is a member or Chairperson.

Sr. No.	Name of Director	*No. of other Directorship	No. of Other committee membership in other companies	No. of Other Committee Chairmanship in other Companies
1.	Mr. Shrikant Parikh	Nil	Nil	Nil
2.	Mr. Sona Parikh	Nil	Nil	Nil
3.	Mr. Shankar Prasad Bhagat	Nil	Nil	Nil
4.	Mr. Amulbhai Jethabhai Patel	Nil	Nil	Nil

* Directorship only of Listed public limited company is considered

d) Number of meetings of the board of Directors held and dates on which held:

- During the year, total **7 (SEVEN)** Board Meetings were held. The time gap between the two meetings was not more than 120 days. All the information required to be furnished to the Board was made available to them along with detailed Agenda notices.
- The dates on which the Board Meetings were held are as follows: 12th April, 2019, 30th April, 2019, 14th August, 2019, 05th September, 2019, 27th September, 2019, 14th November, 2019, and 11th February, 2020.

e) Disclosure of Relationships between Directors Inter-se:

- Mr. Shrikant Parikh is the Managing Director & Chairman and is related to Mrs. Sona Parikh being a relative as per Companies Act, 2013
- Mr. Amulbhai Patel is a Non-Executive Independent Director and is not related to any of the other Members of the Board of Directors
- Mr. Shankar Bhagat is a Non-Executive Independent Director and is not related to any of the other Members of the Board of Directors.
- Mrs. Sona Parikh is a Non-Executive Director and she is Daughter in law of Mr. Shrikant Parikh.

f) Number of shares and convertible instruments held by Non-executive Directors:

Sr. No.	Name of the Non-Executive Director	No. of Shares held	No. of convertible instruments held
1.	Mr. Sona Parikh	4000	Nil

2.	Mr. Shankar Prasad Bhagat	Nil	Nil
3.	Mr. Amulbhai Jethabhai Patel	16000	Nil

g) Details of Familiarization programmed imparted to Independent Directors for financial year 2019-20:

Your Company has in place a structured induction and familiarization programme for all its Directors including the Independent Directors. Your Company through such programs familiarizes not only the Independent Directors but any new appointee on the Board with a brief background of your Company, their roles, rights, responsibilities, nature of the industry in which it operates, business model operations, ongoing events, etc. They are updated on all business-related issues and new initiatives. They are also informed of the important policies of your Company including the Code of Conduct for Directors and Senior Management Personnel and the Code of Conduct for Prevention of Insider Trading.

h) The Board has identified the following skills/expertise/ competencies fundamental for the effective functioning of the Company which are currently available with the Board:

Business Management	Understanding of business dynamics, during various market conditions, industry verticals and regulatory jurisdictions and applying the same in organising, planning and analysing company's business operation.
Strategy, Leading and Planning	Setting priorities, focusing resources and motivating employees towards achievement of common goal and objective of the organisation.
Corporate Governance	Developing good corporate governance practices that impacts all aspects of the organisation linked to transparency, accountability and trust, which serve the best interests of all stakeholders and strike a right balance between board and management accountability.

Core competencies, skills and attributes on Board who bring in the required skills, competence and expertise that allow them to make effective contributions to the Board and Committees.

The table below summarizes the key qualifications, skills, competence and attributes which are taken into consideration while nominating candidates on Board.

Financial	Understands the organization's financial processes. Prepares, justifies, and administers the program budget. Oversees procurement and contracting to achieve desired results. Monitors expenditures and uses cost-benefit thinking to set priorities.
Leadership	Inspires and fosters team commitment, spirit, pride, and trust. Facilitates cooperation and motivates team members to accomplish group goals
Technology	Keeps up-to-date on technological developments. Makes effective use of technology to achieve results. Ensures access to, and security of, technology systems.
Board service and governance	Service on a company board to develop insights about maintaining board and management accountability, protecting shareholder's interest and observing appropriate governance practices.
Communication	Communication can help team members to understand how their contributions benefit not only the team, but also the broader organization. In addition, a powerful communicator can create productive connections with other departments, making the organization stronger as a whole.

In the table below, the areas of core competencies, skills and attributes of Directors have been highlighted.

Director	Financial	Leadership	Technology	Board service and governance	Communication
Mr. Shrikant Parikh	√	√	√	√	√
Mrs. Sona Parikh	√	√	√	√	√
Mr. Shankar Prasad Bhagat	√	√	√	√	√
Mr. Amulbhai Jethabhai Patel	√	√	√	√	√

i) Confirmation that in the opinion of the board, the independent directors fulfil the conditions specified in these regulations and are independent of the management.

Our Independent Directors meet the criteria of Independence as per Section 149(6) of Companies Act, 2013 and Regulation 16 of Listing Regulations. The Independent Directors provide an annual confirmation that they meet the criteria of independence. The Board confirms that the Independent Directors fulfil the conditions as specified under Schedule V of Listing Regulations and are Independent of the management.

j) Detailed reasons for the resignation of an independent Director who resign before expiry of his tenure or along with a confirmation by such director that there are no other material reason other than those provided.

During the year under review, no Independent Director of the Company was resigned.

3. Audit Committee:

1. Brief Description of Terms of Reference:

Broad terms of reference of the Audit Committee are as per following:

- 1) Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- 2) Recommending the appointment, remuneration and terms of appointment of auditors of the company.
- 3) Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
- 4) Reviewing, with the management the annual financial statements and the auditor's report thereon, before submission to the board for approval, with particular reference to:
 - a. Matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013.
 - b. Changes, if any, in accounting policies and practices and reasons for the same.
 - c. Major accounting entries based on exercise of judgment by management.
 - d. Significant adjustments made in the financial statements arising out of audit findings.
 - e. Compliance with listing and other legal requirements relating to financial statements.
 - f. Disclosure of any related party transactions.
 - g. Modified opinion(s) in the draft audit report.
- 5) Reviewing, with the management, the quarterly financial statements before submission to the Board for approval.
- 6) Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report

submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter.

- 7) Review and monitor the auditors' independence and performance, and effectiveness of audit process.
- 8) Approval or any subsequent modification of transactions of the company with related parties
- 9) Scrutiny of inter-corporate loans and investments.
- 10) Valuation of undertakings or assets of the company, wherever it is necessary;
- 11) Evaluation of internal financial controls and risk management systems;
- 12) Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- 13) Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit
- 14) Discussion with internal auditors of any significant findings and follow up there on.
- 15) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.
- 16) Discussion with statutory auditors before the audit commences about nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
- 17) To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
- 18) To review the functioning of the Whistle Blower mechanism.
- 19) Approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate.
- 20) To review report submitted by Monitoring Agency informing material deviations in the utilization of issue proceeds and to make necessary recommendations to the Board, if, when and where applicable.
- 21) Carrying out any other function as is mentioned in the terms of reference of the Audit committee.

2. Composition, Name of Members and Chairperson:

The Audit Committee comprises of 2 (Two) Non-Executive Independent Director and 1 (One) Non-Executive Director. Chairman of audit Committee was an Independent Director of the Company.

The Audit Committee met Seven times in financial year 2019-20 viz: 12.04.2019, 30.04.2019, 14.08.2019, 05.09.2019, 27.09.2019, 14.11.2019, 11.02.2020. The necessary quorum was present in the said meetings. The Chairman of the Audit Committee was present at the last Annual General Meeting of the Company held on 28th September, 2019. The composition of the Committee during the year 2019-20 and the details of meetings held and attended by the Directors are as under:

Name of Director	Category of Directorship
Mr. Shankar Prasad Bhagat	Chairman
Mr. Amulbhai Jethabhai Patel	Member
Mr. Sona Akash Parikh	Member

3. **Meetings and Attendance during the year:**

Name of Director	Category of Directorship	No. of Committee Meetings attended
Mr. Shankar Prasad Bhagat	Independent Non-Executive Director	7
Mr. Amulbhai Jethabhai Patel	Independent Non-Executive Director	7
Mr. Sona Akash Parikh	Non-Executive Director	7

4. **Nomination & Remuneration Committee:**

a) **Brief Description of Terms of Reference:**

The Nomination and Remuneration Committee comprises of 1 (One) Non-Executive Directors, 2 (Two) Non-Executive Non-Independent Director. As Chairman of Nomination remuneration committee of the Company was not an Independent Director of the Company, hence Committee of the Company is not constituted in line with Regulation 19 Security and Exchange Board of India (SEBI) (Listing Obligation and Disclosure Requirements) Regulations, 2015. However, w.e.f. 02nd

June 2020 Company has appointed Mr. Shankar Bhagat as Chairman of the Company and complied with regulation 19 of Listing Obligation and Disclosure Requirements.

The Nomination and Remuneration Committee met Twice time during the year 2019-20. The necessary quorum was present in the said meetings. The Chairman of the Nomination and Remuneration Committee was present at the last Annual General Meeting of the Company held on 28th September, 2019.

b) Composition, Name of Members and Chairperson:

The composition of the Nomination and Remuneration Committee during the Financial Year 2019-20 is as follows:

Name of Director	Category of Directorship
Mrs. Sona Akash Parikh	Chairman*
Mr. Amulbhai Jethabhai Patel	Member
Mr. Shankar Prasad Bhagat	Member

*Note - w.e.f. 02.06.2020 The Company has appointed Mr. Shankar Prasad Bhagat as chairman and Mrs. Sona Akash Parikh as member of the Committee.

c) Meeting and Attendance during the year:

The Nomination and Remuneration Committee has held **2 (Two)** Meetings viz 30.04.2019, 14.08.2019 during the year. The attendance of the meetings is given below.

Name of Director	Category of Directorship	No. of Committee Meetings attended
Mrs. Sona Akash Parikh	Non-Executive Director	2
Mr. Amulbhai Jethabhai Patel	Non-executive Independent Director	2
Mr. Shankar Prasad Bhagat	Non-executive Independent Director	2

d) **Performance Evaluation Criteria for Independent Directors:**

- **Guidelines regarding appointment of directors:** The Nomination & Remuneration Committee have approved a Policy for the Selection, Appointment and Remuneration of Directors. In line with the said Policy, the Committee facilitate the Board in identification and selection of the Directors who shall be of high integrity with relevant expertise and experience so as to have well diverse Board.

Directors are appointed or re-appointed with the approval of the shareholders and shall remain in office in accordance with the provisions of the law and the retirement policy laid down by the Board from time-to-time. The Managing Director and all the Non-Executive Directors (except Independent Directors) are liable to retire by rotation unless otherwise specifically provided under the Articles of Association or under any statute. As required under Regulation 46(2)(b) of the Listing Obligation and Disclosure Requirements, Regulations, 2015 the Company has issued formal letters of appointment to the Independent Directors. The terms & conditions of appointment of their appointment are posted on the Company's *website and can be accessed at www.minalindustriesltd.com

*Note – Due to some technical issues website of the company can't be reached hence the website of the company is not a functional website. Our technical support team is working on it.

- **Membership term:** As per the Articles of Association of the Company, at least two-thirds of the Board of Directors should be retiring Directors. One-third of these Directors are required to retire every year and if eligible, the retiring Directors qualify for re-appointment.
- **Meeting of Independent Directors:** The Company's Independent Directors met on 30.04.2019 and 14.08.2019 without the presence of the Managing Director & CEO and the Management Team. The meeting was attended by all the Independent Directors and was conducted informally to enable the Independent Directors to discuss matters pertaining to the Company's affairs and put forth their combined views to the Board of Directors of the Company
- **Succession policy:** The Board constantly evaluates the contribution of its members and recommends to shareholders their re-appointment periodically as per the statute. Executive Directors are appointed by the shareholders for a maximum period of Five years of one term, but are eligible for re-appointment upon completion of their term. Non-Independent, Non-Executive Directors do not have any term, but retire by rotation as per the law.
- **The Board has adopted a retirement policy for its Executive Directors:** The maximum age of retirement of Executive Directors is seventy years, provided that the term of the person holding this position may be extended beyond the age of Seventy Years with the approval of Members by passing a special resolution based on the explanatory statement annexed to the notice for such motion indicating the justification for extension of appointment beyond seventy years.
- **Performance Evaluation Criteria of Independent Directors:** During the year, the Board adopted a formal mechanism for evaluating its performance and effectiveness as well as that of its Committees and individual Directors, including the Chairman of the Board. The exercise was

carried out through a structured evaluation process covering various aspects of the Boards functioning such as composition of the Board & committees, experience & competencies, performance of specific duties & obligations, governance issues, quality of contribution to Board deliberations, commitment to shareholders and other stakeholder interests etc.

- **Code of Conduct:** The Board of Directors has adopted the code of conduct for the directors and senior management and the same has been placed on the company's *website www.minalindustriesltd.com. All board members and senior management personnel have affirmed compliance with the code of conduct for the period under review. A declaration to that effect signed by the Managing Director is attached and forms part of the Annual Report of the Company.

*Note – Due to some technical issues website of the company can't be reached hence it is not functional website. Our technical support team is working on it.

5. **Remuneration to Directors:**

a) **Pecuniary relationship or transactions of the non-executive Directors:**

There are no pecuniary relationships or transactions of Non-Executive Directors vis-à-vis the Company which has Potential conflict with the interests of the Company at large.

b) **Criteria of making payments to non-executive Directors:**

The Nomination and Remuneration Policy devised in accordance with Section 178 (3) and (4) of the Companies Act, 2013 is available at the *website of the Company: www.minalindustriesltd.com. Further, criteria of making payments to non-executive Directors, the details of remuneration paid to all the Directors and the other disclosures required to be made under Li

sting Obligation and Disclosure Requirement, 2015 have been provided in the said policy and Nomination and remuneration policy adheres to the terms and conditions of the policy while approving the remuneration payable.

*Note – Due to some technical issues website of the company can't be reached hence it is not functional website. Our technical support team is working on it.

c) Disclosures with respect to remuneration:

i. All elements of remuneration Package of the individual Director summarized under major group, such as salary, benefits, bonuses, stock option, pension etc.

Details of Remuneration Paid to the Directors:

The remuneration of the managing director and executive director is recommended by the Nomination and Remuneration Committee, then approved by the Board of Directors and subsequently by the shareholders in general meeting within the limits prescribed in Companies Act, 2013.

Details of remuneration paid to Executive Directors:

Name of Director	Mr. Shrikant Parikh
Designation	Managing Director
Salary	Nil
Performance bonus	--
Provident Fund & Gratuity Fund	--
Stock Option	--

Details of remuneration paid to Non-Executive Directors:

Name	Mr. Shankar Prasad Bhagat	Mrs. Sona Parikh	Mr. Amulbhai Jethabhai Patel
Sitting fees	Nil	Nil	Nil
Remuneration	Nil	Nil	Nil
No. of Equity shares	Nil	Nil	Nil
Commission	Nil	Nil	Nil
Non-Convertible Instruments	Nil	Nil	Nil
Stock Option	Nil	Nil	Nil

ii. Details of fixed components and performance linked incentives, along with the performance linked incentives along with the performance criteria-

Directors are not provided with any performance linked incentives, along with the performance linked criteria.

iii. Service Contracts, notice period, severance fees;

None of the Directors have Services Contracts, apart from agreements made towards their appointment as Whole-time Directors/ Managing Director. The notice period for Resignation is 30 days however due to certain inadvertent or significant unavoidable circumstances notice of Resignation can be served and accepted without the mandatory period of 30 days.

iv. Stock option details, if any and whether issued at discount as well as the period over which accrued over which exercisable.

The Company has not issued any Stock Options either to its Directors or to its Employees.

6. Stakeholder's Relationship Committee:

The Stakeholders' Relationship Committee of the Company is constituted in line with the provisions of Section 178 (5) of the Companies Act, 2013 read with Regulation 20 Security and Exchange Board of India (SEBI) (Listing Obligation and Disclosure Requirements) Regulations, 2015. Stakeholders' Relationship Committee of 2 Non-Executive Independent Directors, one Non-Executive Director.

The Committee periodically reviews the status of Stakeholders' Grievances and Redressal of the same. The Committee met **(6) Six** times in FY 2019-20 - viz: 12.04.2019; 30.04.2019; 14.08.2019, 27.09.2019, 14.11.2019, and 11.02.2020. The composition of the Committee during financial year 2019-20 and the details of meetings held and attended by the Directors are as under:

The Stakeholder Relationship Committee has been constituted with 3 members. The committee consists of three Non-Executive Independent Directors.

Following are the members of the Committee.

Name of Director	Category of Directorship
Mr. Shankar Prasad Bhagat	Chairman
Mr. Amulbhai Jethabhai Patel	Member
Mrs. Sona Parikh	Member

a) Name of Non-Executive Director heading the Committee:

Mr. Shankar Prasad Bhagat, the Chairman and Non-Executive independent Director is the head of the Committee.

b) Name and Designation of Compliance Officer:

During the period under preview Mr. Shrikant Parikh, Managing Director of the Company was appointed as a Compliance officer of the Company.

c) Number of Shareholder’s Complaints received so far:

The Company received **Nil** complaints from Shareholders during the Financial Year 2019-20, and all the complains were resolved.

d) Number unsolved to the satisfaction of shareholders:

There were no unsolved complaints to the satisfaction of shareholders.

e) Number of Pending Complaints:

The Company received **Nil** complaints from Shareholders during the Financial Year 2019-20, and all the complains were resolved, hence no pending complaints for Financial Year 2019-20.

7. General Body Meetings:

a) Details of last 3 (Three) Annual General Meetings and whether any Special Resolutions were passed in those three Annual General Meeting are given below:

Finan cial Year	Date	Time	Location	Special Resolution(s)
2016-17	28.09.2017	11.30 A.M.	603, A - Wing, Minal Complex, Off. Saki Vihar Road, Andheri (East), Mumbai - 400072	<ol style="list-style-type: none"> 1. Appointment of Statutory Auditors of M/s. S. C. Kabra & Co. for the period of 5 Years. 2. Service of Documents by particular mode of delivery 3. Approval of Related Party

				Transactions
2017-18	28.09.2018	11.30 A.M.	Plot No. 16(P), 17-28 & 29(P) Seepz, MIDC, Andheri (E) Mumbai - 400096	No special resolutions were passed at AGM
2018-2019	28.09.2019	11.30 AM	Plot No. 16(P), 17-28 & 29(P) Seepz, MIDC, Andheri (E) Mumbai - 400096	<ol style="list-style-type: none"> 1. Reappointment of Mr. Shrikant Parikh as Managing Director of the Company 2. Reappointment of Mr. Amulbhai Jethabhai Patel as Non-Executive Independent Director of the Company. 3. Reappointment of Mr. Shankar Prasad Bhagat as Non-Executive Independent Director of the Company.

b) There were no Special/Ordinary resolutions passed during last year through Postal Ballot nor does the Company thus far has any plan to conduct postal Ballot and hence is not required to produce Procedure of Postal Ballot.

8. MEANS OF COMMUNICATION:

a) Yearly/Quarterly Results:

The yearly/ half yearly/quarterly results are duly reviewed by the Audit Committee and subsequently approved by the Board of Directors of the Company and the same have been

submitted to BSE in due course of time. The Company has its * website named as www.minalindustriesltd.com

*Note – Due to some technical issues website of the company can't be reached hence the website of the company is not a functional website. Our technical support team is working on it.

b) Newspapers where Yearly/Quarterly Results are Published:

The Yearly/half yearly/Quarterly results are published in one English language newspaper being the Free Press Journal and one Marathi language newspaper i.e. Navshakti.

c) Website where Yearly/Quarterly Results are Published:

The Yearly/ half yearly/Quarterly results are duly hosted on the *Website of the Company at www.minalindustriesltd.com and is easily accessible in public domain at the Website of BSE Limited at <https://www.bseindia.com/stock-share-price/minal-industries-limited/minalind/522235/> The results and other mandatory information about the Company is hosted at the website of the Company at www.minalindustriesltd.com The website contains details as required under LODR, 2015 and Companies Act, 2013.

*Note – Due to some technical issues website of the company can't be reached hence Company does not have a functional website. Our technical support team is working on it.

d) News Releases and Presentations made to Institutional Investors or to the Analysts:

The company has not made any official news releases nor it has made any presentations made to Institutional Investors or to the analysts hence the same are not disclosed to BSE or on the *website of the Company.

*Note – Due to some technical issues website of the company can't be reached hence the website of the company is not a functional website. Our technical support team is working on it.

9. GENERAL SHAREHOLDERS INFORMATION:

a) Annual General Meeting - Date, Time and Venue:

The 32nd Annual General Meeting is scheduled to be held on **Saturday, the 26th day of December, 2020 at 09.00 A.M.** through Video Conferencing or other audio-visual means.

b) Financial Year:

The Financial year of the company is from April to March. The financial calendar is as per following.

First Quarter Results (30 th June)	By Mid-December, 2020
Annual General Meeting	29 th December, 2020
Second Quarter Results (30 th September)	By Mid-December, 2020
Third Quarter Results (31 st December)	By Mid-December, 2020

c) Payment of Dividend:

Your Directors do not recommend dividend for the year 31st March, 2020 and No amount is being transferred to reserves during the year under review.

d) Listing of Stock Exchange:

The Equity Shares of the Company are listed on the BSE Limited, Mumbai. However, the trading of Shares has been suspended by BSE.

The Company has paid listing fees up to 31st March, 2020 to the Bombay Stock Exchange (BSE Limited).

e) BSE Stock Code:

Scrip Name: Minal Industries Limited

Scrip Code: 522235

f) Market Price Data:

The Stock Market Price is not available due Company shares were suspended from 21st

December, 2015 on Bombay Stock Exchange due to various non-compliances in the

Company.

Registrars and Share transfer agents

Address of Registrars and Share Transfer Agent.

MCS SHARE TRANSFER AGENT LTD.,

10, Aram Apartment, 12, Sampatrao Colony,

B/H Laxmi Hall, Alkapuri,

Vadodara 390 007.

g) The Securities of the Company are suspended from trading and hence no explanation is provided.

The Stock Market Price is not available due Company shares were suspended from 21st

December, 2015 on Bombay Stock Exchange due to various non-compliances in the

Company.

h) The Securities of the Company are suspended from trading and hence no explanation is provided.

i) Registrars and Share Transfer Agents:

Address of Registrars and Share Transfer Agent is as follows:

MCS Share Transfer Agent,

2nd Floor, 10, Aaram Apartment,
12, Sampatrao Colony, B/H Laxmi Hall,
Alkapuri, Vadodara - 390007
Phone: (0265) 2314757
Fax: (0265) 2341639
Email: - helpdeskbaroda@mcsregistrars.com

j) Share Transfer System:

The share transfer of securities in physical form are registered, duly transferred and dispatched within 30 days of the receipt, if the transfer documents are in order, and rejection are communicated within 15 days if the documents are not found in order. The share transfers are approved on fixed time interval by the persons authorized to do so by the Board. The shares in dematerialized form are processed and transferred within 21 days from receipt of dematerialization requests.

k) Distribution of shareholding as on 31st March, 2020

Range		Shares	Folios	Percent Shares	Percent Holders
From	To				
1	500	158138	700	0.0824	32.5279
501	1000	302476	361	0.1576	16.7751
1001	2000	482726	307	0.2515	14.2658
2001	3000	382807	154	0.1995	7.1561
3001	4000	319884	90	0.1667	4.1822
4001	5000	528234	118	0.2753	5.4833
5001	10000	1320846	175	0.6883	8.1320
10001	50000	3594112	184	1.8729	8.5502
50001	100000	1678612	26	0.8747	1.2082

Above		183132815	37	95.43	1.7193
Total		191900650	2111	100.00	100.00

Categories of Shareholders as on March 31, 2020

Categories of Shareholders as on March 31, 2019

	Category of Shareholder(s)	Total Number of Shares	% of total no. of shares
(A)	Shareholding of Promoter and Promoter Group		
(a)	Individuals /HUF	114485205	59.6586
	Total Shareholding of Promoter and Promoter Group (A)	114485205	59.6586
(B)	Public Shareholding		
1	Bodies Corporate	22015454	11.4725
2	Individual Shareholders having nominal share Capital upto Rs. 2 Lakh	7899224	4.12
3	Individual Shareholders Having Nominal Share Capital in excess of Rs. 2 Lakh	47034318	24.51
4	Non Resident Individuals	103789	0.05
5	HUF	780193	0.4063
6.	Trust	830	0.00
7.	Other	836178	0.44
	TOTAL (A+ B)	191900650	100.00

I) Dematerialization of securities and liquidity:

Names of depositories for dematerialization of equity shares are as under:

Name of depository	ISIN No.
National Securities Depository Ltd.	INE097E01028
Central Depository Services (India) Ltd.	INE097E01028

As on 31st March, 2020, **47.27** of the Company's total shares representing **9,07,08,902** shares were held in de-materialized form and the balance **52.73%** representing 10,11,91,748 shares in paper form. The details are given below:

Type	No. of Shares Held	% Shareholding
<u>De-materialized shares</u>		
With N.S.D.L.	95,98,424	5.00
With C.D.S.L.	8,11,10,478	42.27
Total Demat shares	9,07,08,902	47.27
Physical shares	10,11,91,748	52.73
TOTAL	19,19,00,650	100.00%

m) **The Company does not have any outstanding Global Depository Receipts (GDR's) or American Depository Receipts (ADR's) or warrants or any convertible instruments as on date.**

n) **Commodity price risk or foreign exchange risk and hedging activities:**

The Company does not have any Commodity Price Risk or Foreign Exchange Risk and hedging activities as the same are not applicable to the Company.

o) **Plant locations:**

The plant location is not available, as there is no operation in the Company. The registered office of the Company is situated at Plot No. 16(P), 17-28 & 29(P) Seepz, MIDC, Andheri (E) Mumbai City MH 400096

p) **Address for correspondence:**

Shareholders of the company can send correspondence at company's share & Transfer Agent's Office or the Registered office of the Company situated at following address:

Minal Industries Limited, Plot No. 16(P), 17-28 & 29(P) Seepz, MIDC, Andheri (E), Mumbai - 400096.

q) **Credit ratings need not be obtained by the entity during the relevant financial year as the financials do not consists of any debt instruments or any fixed deposit programme or any scheme or proposal of the listed entity involving mobilization of funds, whether in India or abroad.**

10. Other Disclosures

a) **Disclosure on the materially significant related party transaction that may have potential conflict with the interest of listed entity at large.**

There are no Significant transactions with the related parties other than mentioned in Audited financials of the Company with Promoters, Directors or the Management or their relatives or that had potential conflict with the Company's interest and which require shareholders' approval. Suitable disclosure as required by the Accounting Standard (AS 18) and AOC-2 have been made in the Annual Report. The Related Party Transactions Policy as approved by the Board is available on the Company's *website at www.minalindustriesltd.com

*Note – Due to some technical issues website of the company can't be reached hence the website of the company is not a functional website. Our technical support team is working on it.

b) Details of non-compliance by the listed entity, penalties, strictures imposed on the listed entity by stock exchange(s) or the board or any statutory authority, on any matter related to capital markets, during the last three years;

The Company has complied with the necessary provisions of Listing Obligation and Disclosure Requirements, Regulations 2015 apart from following Non- Compliances-

- i. The Company has been suspended for trading on the BSE w.e.f 21st December, 2015 and the company is in the process of revoking the suspension, however the Management informed that Company has received notice regarding initiation of and completion of the formalities for revocation of suspension of trading in the securities of the Company and Paid the necessary Revocation Fees of Rs. 29,500/- and Rs. 22,59,000/- fined levied pursuant to the provisions of SEBI SOP circular.
- ii. The details of Non-Compliances mentioned in detail in Secretarial Audit Report of the Company.

c) Details of establishment of vigil mechanism, whistle blower policy, and affirmation that no personnel have been denied access to the audit committee;

Pursuant to Section 177(9) and (10) of the Companies Act, 2013 and Regulation 27(2) of Security and Exchange Board of India (SEBI) (Listing Obligation and Disclosure Requirements) Regulations, 2015., the Company has a Whistle-Blower Policy for establishing a vigil mechanism for Directors and employees to report genuine concerns regarding unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct and Ethics policy. The said mechanism also provides for adequate safeguards against victimization of persons who use such mechanism and makes provision for direct access to the chairperson of the Audit Committee in appropriate or exceptional cases. The Company also affirms that no employee of the Company was denied access to the Audit Committee. The said Whistle-Blower Policy has been hosted on the website of the Company at www.minalindustriesltd.com

*Note – Due to some technical issues website of the company can't be reached hence the website of the company is not a functional website. Our technical support team is working on it.

d) Details of compliance with mandatory requirements and adoption of the non-mandatory requirements:

The Company has not complied with the several mandatory requirements of Corporate Governance as stipulated under Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Detail of Non- Compliances are annexed which forms Part of this Report under certificate on Corporate Governance from Practising Company Secretary.

e) Web link where policy of determining 'material' Subsidiaries is disclosed:

The company have subsidiaries but do not have a material subsidiary. Due to some technical issues website of the company can't be reached hence Company does not has a functional *website. Our technical support team is working on it.

*Note – Due to some technical issues website of the company can't be reached hence the website of the company is not a functional website. Our technical support team is working on it.

f) Web link where policy on dealing with Related Party Transactions:

As otherwise disclosed in Audited Financial statements, there are no materially significant transactions with the related parties viz. Promoters, Directors or the Management or their relatives or that had potential conflict with the Company's interest and which require shareholders' approval. Suitable disclosure as required by the Accounting Standard (AS 18) and AOC-2 has been made in the Annual Report. The Related Party Transactions Policy as approved by the Board is uploaded on the Company's *website at www.minalindustriesltd.com

*Note – Due to some technical issues website of the company can't be reached hence the website of the company is not a functional website. Our technical support team is working on it.

g) Disclosure of commodity price risks and commodity hedging activities:

Disclosures are not required since the Company does not have a Commodity Price Risk or foreign exchange risk and hedging activities as the same are not applicable Company.

h) Details of utilization of funds raised through Preferential Allotment or Qualified Institutions Placement as specified under Regulation 32 (7A).

There hasn't been any utilisation of funds through Preferential Allotment or Qualified Institutional Placement as per Regulation 32 (7A) in the Financial Year as company has not issued any shares during period under review.

i) Certificate from a Company Secretary in practice that none of the Directors on the Board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority.

A certificate that none of the Directors on the Board of the Company have been disqualified or debarred from continuing or being appointed as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority has been obtained.

j) The board had accepted all the recommendations obtained by the committees of the board which was otherwise mandatorily required to be obtained in the relevant Financial Year.

k) Total fees for all services paid by the listed entity, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part Rs. 6,50,000/- P.a.

l) Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

- i. Number of complaints filed during the Financial Year: NIL
- ii. Number of complaints disposed of during the Financial Year: NIL
- iii. Number of complaints pending as on end of the Financial Year: NIL

m) Dates of Book Closure:

From **Sunday, 20th December, 2020 to Saturday, 26th September, 2020** (both days inclusive).

n) Debentures:

There are no outstanding debentures as the company has not issued Debentures at any point of time.

o) E-Voting Facility to Members:

In view of the continuing Covid-19 pandemic, the Ministry of Corporate Affairs (“MCA”) vide its circular dated May 05, 2020 read with circulars dated April 08, 2020 and April 13, 2020 (collectively referred to as “MCA Circulars”) and Securities and Exchange Board of India (“SEBI”) vide circular dated May 12, 2020 (“SEBI Circular”) permitted the holding of the Annual General Meeting (“the Meeting”) through VC / OAVM, without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 (“Act”), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”), MCA Circulars and SEBI Circular, the Meeting of the Company is being held through VC / OAVM.

Pursuant to Section 113 of the Act representatives of Corporate Members may be appointed for the purpose of voting through remote e-voting or for participation and voting in the Meeting to be conducted through VC/OAVM.

However, pursuant to MCA Circulars and SEBI Circular, the AGM will be held through VC/OAVM and a Member entitled to attend and vote at the Meeting through Electronic Mode, the physical attendance of Members in any case has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the Meeting and hence the Proxy Form is not annexed to this Notice.

11. Non-compliance of any requirement of corporate governance report of sub- paras (2) to (10) above, with reasons thereof shall be disclosed:

The Reason of the Non-Compliances are mentioned in detail in Directors report hence not repeated herein.

12. The corporate governance report shall also disclose the extent to which the discretionary requirements as specified in Part E of Schedule II have been adopted:

- **The Board:** An Executive chairperson maintains the office of Chairperson as the Company, as he is the founder promoter of the Company.
- **Shareholder Rights:** A half-yearly status of financial performance in the form of Financial Results is available at the *website of the Company, the same can be downloaded from company’s website.

Further all the Significant transactions that have taken place during the Financial year are disclosed as per the requirement of SEBI LODR regulations.

*Note – Due to some technical issues website of the company can't be reached hence the website of the company is not a functional website. Our technical support team is working on it.

- **Modified opinion(s) in Audit Report:** The listed entity's financial statements has an unmodified audit opinion.
- **Reporting of Internal Auditor:** The internal auditor reports directly to the audit committee.

D. Declaration signed by the chief executive officer stating that the members of board of directors and senior management personnel have affirmed compliance with the code of conduct of board of directors and senior management.

The same has been annexed which forms Part of this Report.

E. Compliance certificate from either the auditors or practicing company secretaries regarding compliance of conditions of corporate governance shall be annexed with the Directors' report.

The same has been annexed which forms Part of this Report.

F. Disclosure with respect to Demat suspense account/ unclaimed suspense account:

- a) **Aggregate number of shareholders and the outstanding shares in the suspense account** lying at the beginning of the year:
- b) **Number of shareholders who approached listed entity for transfer of shares from suspense account** during the year:
- c) **Number of shareholders to whom shares were transferred from suspense account during the year;** aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year:
- d) **That the voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares:**

**BY ORDER OF THE BOARD OF DIRECTORS
FOR MINAL INDUSTRIES LIMITED**

**SD/-
SHRIKANT PARIKH
(MANAGING DIRECTOR)
DIN: 00112642**

Date: 22.10.2020
Place: Mumbai.

Annexure - F
MANAGEMENT DISCUSSION AND ANALYSIS

1. INDUSTRY STRUCTURE AND DEVELOPMENT:

As there was continuous slowdown in demand from USA and Europe. Development of Asian and domestic markets in the last couple of years has changed the scene. The overall trend of export of Diamond is expected to continue.

2. REVIEW OF OPERATIONS:

The Development of Asian and Domestic market, the trading activities for the cut and polished diamonds are more profitable and presently the company is concentrating on trading and exporting of cut and polished Diamonds only.

3. OUTLOOK:

For the year 2019-20, our focus will continue on sustainable growth by taking measures for increasing our market share of existing products and creating new business in untapped growth market segments in Export Market Though there is sluggish demand in certain sectors and also increased competition from global and domestic players, we expect the trend shown in 2019-20 to continue in the year 2020-21. However, we expect that in some segments the market share of existing product line will increase due to expansion of capacities.

4. RISK MANAGEMENT

Risk evaluation and management is an ongoing process in the company.

4. INTERNAL CONTROL SYSTEMS AND ADEQUACY

Our Internal Audit Dept. is continuously working to improve on Internal Checks and Internal Control Systems in the Organization. We have in place internal control systems in all spheres of activities commensurate with the size of the Company. The internal control is supplemented by effective internal audit being carried out by an external firm of chartered accountants. The Audit Committee of Directors regularly reviews the findings of the Internal Auditors and effective steps to implement the suggestions/observations of the Auditors are taken and monitored regularly. Your Company also has laid down procedures and authority levels with suitable checks and balances encompassing the entire operations of the Company.

5. HUMAN RESOURCE AND INDUSTRIAL RELATIONS

Your company continues to have cordial relations with its employees.

6. CAUTIONARY STATEMENT

Certain statements in this report on "Management's Discussion and Analysis" are forward looking statements and which have been issued as required by applicable Securities Laws and regulations. There are

several factors which would be beyond the control of Management and as such, may affect the actual results which could be different from that envisaged.

7. MATERIAL DEVELOPMENTS IN HUMAN RESOURCES / INDUSTRIAL RELATIONS FRONT, INCLUDING NUMBER OF PEOPLE EMPLOYED

The company recognizes the importance of human value and ensures that proper encouragement both moral and financial is extended to employees to motivate them.

The company has provided rent free accommodation to all its staff & workers adjacent to the factory premises of the company. The company enjoyed excellent relationship with workers and staff during the last year. The Company's human resources management strategies supported its Business growth in a challenging economic environment. Many initiatives have been taken to support business through organizational efficiency, process change support and various employee engagement programmes which has helped the Organization achieve higher productivity levels.

Employees are encouraged to express their views and are empowered to work independently. Employees are given the opportunity to learn through various small projects which make them look at initiative from different perspectives and thus provide them with a platform to become result oriented.

**By Order of the Board
For MINAL INDUSTRIES LIMITED**

**Sd/-
SHRIKANT J PARIKH
CHAIRMAN
DIN: 00112642**

**DATE: 22.10.2020
PLACE: MUMBAI.**

Annexure - G

CEO/CFO CERTIFICATION

To,
The Board of Directors,

MINAL INDUSTRIES LIMITED

Plot No. 16(P), 17-28 & 29(P) Seepz,
MIDC, Andheri (E),
Mumbai - 400096

I, Shrikant J Parikh, Managing Director & CEO of the Company hereby certify that in respect of the financial year ended on March 31, 2020.

1. I have reviewed the financial statement and the cash flow statements for the year and that to the best of our knowledge and belief:
 - a. These statements do not contain any materially untrue statement or omit any material fact or contain statement that might be misleading;
 - b. 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.
2. There are, to the best of my knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
3. I accept responsibility for establishing and maintaining internal controls and that I have evaluated the effectiveness of the internal control systems of the Company and I have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any of which I was aware and the steps we have taken or propose to take to rectify these deficiencies.
4. I have indicated to the auditors and the Audit Committee:
 - a. Significant changes, if any, in internal control over financial reporting during the year;
 - b. Significant changes, if any, in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and.
 - c. Instances of significant fraud, if any, of which I have become aware and the involvement therein, if any, of management or an employee having a significant role in the Company's internal control system over financial reporting.

Sd/-
Shrikant J Parikh
Managing Director & CEO
Date: 22.10.2020
Place: Mumbai.

DECLARATION

I hereby confirm that:

The Company has obtained from all the members of the Board and Senior Management Personnel, affirmation(s) that they have complied with the Code of Conduct for Board Members and Senior Management Personnel in respect of the financial year ended 31st March, 2020.

FOR MINAL INDUSTRIES LIMITED

Sd/-

Shrikant J Parikh
(Managing Director & CEO)

Date: 22.10.2020

Place: Mumbai.

Annexure - H

PRACTISING COMPANY SECRETARIES CERTIFICATE

To

The Members of Minal Industries Limited.

We have examined the compliance of conditions of Corporate Governance by **Minal Industries Limited** ('the Company'), for the year ended 31st March, 2020, as stipulated in Regulation 27 of the Listing Regulations ('Listing Obligations & Disclosure Regulations') of the Company with the Stock Exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the Management. 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 as stipulated in the above-mentioned Listing Regulations, as applicable **except** non-compliance of Section 101, 124, 129,134, 185, 186, 188, 203 of the Companies act 2013 and Regulations 19,34,46, of LODR (Regulation) 2015. During the Period under review, there has been delay in complying BSE and LODR Compliances.

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.

Date: 22nd October 2020
Place: Mumbai

For HS Associates
Company Secretaries
UDIN - A005941B001035420

Sd/-
Prakash D Naringrekar
Partner
ACS No.: 5941
CP No.: 18955

Annexure - I
CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS
(pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI
(Listing Obligations and Disclosure Requirements) Regulations, 2015)

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Minal Industries Limited having CIN L32201MH1988PLC216905 and having registered office at Plot No. 16(P), 17-28 & 29(P) Seepz, MIDC, Andheri (E) Mumbai MH 400096 (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 our opinion and to the best of our 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, We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ended on 31st March, 2020 had 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
1.	SHRIKANT JESINGLAL PARIKH	00112642	11/01/1988
2.	AMULBHAI JETHABHAI PATEL	00183464	17/06/1994
3.	SHANKAR PRASAD BHAGAT	01359807	02/04/2012
4.	SONA AKASH PARIKH	03283751	09/03/2015

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 HS Associates
Company Secretaries

Sd/-
Prakash D Naringrekar
Partner

Date: 22nd October 2020

Place: Mumbai

ACS: 5941

COP: 18955

ICSI UDIN: A005941B001035521

INDEPENDENT AUDITOR'S REPORT

INDEPENDENT AUDITORS' REPORT

To the Members of Minal Industries Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **Minal Industries Limited** ("the Company"), which comprise the standalone balance sheet as at March 31, 2020, and the standalone statement of Profit and Loss (including other comprehensive income), standalone statement of cash flows and standalone statement of changes in equity for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, its profit including total comprehensive income, its cash flow and the changes in equity for the year ended on that date.

Basis for Opinion

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

Emphasis of Matter

- a. We draw attention to Note 38 of the standalone financial statement which explains that the Company's management has applied principles of prudence to assess the impact of COVID-19 pandemic on the financial statements. In view of the highly uncertain future economic conditions associated with the pandemic, the actual impact on the financial statements in the subsequent periods is highly dependent upon the circumstances as they evolve.
- b. We draw attention to Note 41 of the standalone financial statement which explains that the Company has incurred net losses of Rs. 261.81 lakhs during the year ended March 31, 2020 and Rs. 7.31 lakhs during year ended March 31, 2019. The Company's ability to meet its obligations is dependent on

uncertain events including time bound monetisation of assets. These factors indicate the existence of a material uncertainty which may cast significant doubt about the Company's ability to continue as a going concern. In response to this matter, management continues to strengthen its strategy to expand its market in order for the Company to increase its sales and eventually generate profit. In spite of these events or conditions which may cast a doubt on the ability of the company to continue as a going concern, the management is of the opinion that going concern basis of accounting is appropriate in view of the continued financial support from its Promoters. Accordingly, the standalone financial statements of the Company have been prepared on a going concern basis.

Our opinion is not modified in respect of the above matters.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the financial year ended March 31, 2020. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the Key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the standalone financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the standalone financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying standalone financial statements.

The Key Audit Matter	Auditor's Response
<i>Valuation of Inventories (as described in note no. 1.2.X of the significant accounting policies, and note no. 6 for details in standalone financial statements)</i>	
<p>The Company held Rs. 9,14,30,810/- of inventories as on March 31, 2020. Considering the primary nature of business, reduction in volume of operations and the size of the inventory balance relative to the total assets of the Company and the estimates and judgements described below, the valuation of inventory required significant audit attention.</p> <p>As disclosed in Note 6, inventories are held at the lower of cost and net realisable value. At year end, the valuation of inventory is reviewed by management and the cost of inventory is reduced where inventory is forecast to be sold below cost.</p> <p>The determination of whether inventory will be realised for a value less than cost requires management to exercise judgement and apply</p>	<p>We have performed the following procedures over the valuation of inventory:</p> <ol style="list-style-type: none"> a. We tested that the ageing report used by management correctly aged inventory items; b. On a sample basis we tested the net realisable value of inventory lines to recent selling prices; <p>From the procedures performed we have no matters to report.</p>

assumptions. Management undertake the following procedures for determining the level of write down required:

- a. Use inventory ageing reports together with historical trends to estimate the likely future saleability of slow moving and older inventory lines;
- b. Perform a line-by-line analysis of remaining inventory to ensure it is stated at the lower of cost and net realisable value and a specific write down is recognised if required. Refer to Note 6 of the standalone financial statements - Inventories.

Information Other than the Standalone Financial Statements and Auditor's Report Thereon

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

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

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

Responsibilities of the Management for the Standalone Financial Statements

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

In preparing the standalone financial statements, the 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 the 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 Statements

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

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

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

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

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by sub-section (3) of Section 143 of the Act, we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c. The standalone balance sheet, the standalone statement of profit and loss including other comprehensive income, the standalone statement of cash flows and standalone statement of changes in equity dealt with by this Report are in agreement with the books of account.
 - d. In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended.
 - e. On the basis of the written representations received from the directors as on March 31, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 from being appointed as a director in terms of sub-section (2) of Section 164 of the Act.

- f. With respect to the adequacy of the internal financial controls over financial reporting with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in “Annexure B” to this report.
- g. With respect to the other matters to be included in the Auditor’s Report in accordance with the requirements of sub-section (16) of Section 197 of the Act, as amended:

The Company has not paid any remuneration to its directors during the year in accordance with the provisions of section 197 of the Act.

- h. 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, 2015, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Note 31 of the standalone financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
 - iii. The Company has outstanding Unclaimed dividend payable for more than seven years as on 31.03.2020 as disclosed in Note-20 to the financial statements. The company has not transferred the outstanding Unclaimed dividend payable for more than seven years as on 31.03.2020 to Investor Education and Protection Fund by the company

For HPVS & Associates.
Chartered Accountants
Firm Registration No.: 137533W

Hitesh Khandhadia
Partner
M.No. 158148
UDIN: 20158148AAAABW3330

Place: Mumbai
Date: October 22, 2020

ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT (Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Minal Industries Limited of even date)

- (i) (a) The Company has not maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) No physical verification of fixed assets has been conducted by the management during the year or in the recent past. In our opinion, the frequency of verification needs to be improved to be commensurate with the size of the Company and the nature of its business.
- (c) According to the information and explanations given to us, the records examined by us and based on the examination of the conveyance deeds provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date.
- (ii) The management has conducted physical verification of inventory at reasonable intervals during the year. In our opinion, the frequency of such verification is reasonable and no material discrepancies were noticed on such physical verification.
- (iii) The Company has granted unsecured loans to one of its subsidiary company covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act').
 - (a) In our opinion, the rate of interest and other terms and conditions on which the loans had been granted to subsidiary listed in the register maintained under Section 189 of the Act are not, prima facie, prejudicial to the interest of the Company.
 - (b) The register mentioned u/s 189 is not maintained by the Company. The Company has granted loans that are re-payable on demand, to a Company covered under Section 189 of the Act. We have been informed that the Company has not demanded repayment of any such loan during the year, and thus, there has been no default on the part of the parties to whom the money has been lent.
 - (c) There are no amounts of loans granted to companies, firms or other parties listed under section 189 of the Act which are overdue for more than ninety days.
- (iv) In our opinion and according to the information and explanations given to us, the Company has not granted any loans or provided any guarantee or security to the parties covered under section 185. Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, the Company has complied with the provisions of section 186 of the Act in respect of the loans and investments made and guarantees and securities provided by it.
- (v) According to the information and explanations given to us, the Company has not accepted any deposit and, hence, reporting under paragraph 3 (v) of the Order is not applicable to the Company.
- (vi) To the best of our knowledge and as explained, the Central Government has not prescribed maintenance of cost records under sub-section 1 of section 148 of the Act.
- (vii) (a) According to the information and explanations given to us, and the records of the Company examined by us, the Company is regular in depositing with the appropriate authorities undisputed statutory dues including provident fund, income tax, goods and service tax, duty of customs, cess and other material statutory dues applicable to it. According to information and explanation given to us, no undisputed amounts payable were outstanding, at the year end, for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us, there are no dues of sales tax, wealth tax,

service tax, goods and service tax, income tax, duty of excise, value added tax, and cess which have not been deposited on account of any dispute except as follows:

Name of the Statute	Nature of the Dues	Amount	Period to which the amount relates	Forum where dispute is pending
The Income Tax Act, 1961	Income tax	4,99,230	A.Y. 1998-99	Ahmedabad High Court
		1,72,530	A.Y. 2011-12	Commissioner of Income Tax Appeal - Mumbai
Maharashtra Stamp Act, 1958	Penalty	30,84,480	2016-17	Collector of Stamp (Efr-1), Mumbai

- (viii) Based on our examination of documents and records, the Company has not taken any loan from a financial institution, a bank, the government or issued debentures and, hence, reporting under paragraph 3 (viii) of the Order is not applicable to the Company.
- (ix) Based on our audit procedures performed for the purpose of reporting the true and fair view of the standalone financial statements and according to the information and explanations given by the management, the Company has not raised any money by way of initial public offer or further public offer (including debt instruments) and term loans, hence, reporting under paragraph 3 (ix) of the Order is not applicable to the Company.
- (x) Based on the audit procedures performed for the purpose of reporting the true and fair view of the standalone financial statements and according to the information and explanations given by the Management, we report that no material fraud by the Company and on the Company by its officer or employees has been noticed or reported during the year.
- (xi) According to the information and explanations given to us and based on our examination of the records of the Company, the Managing Director of the Company is holding place of profit in the Subsidiary Company and remuneration is paid to him by the Subsidiary Company. However, the Company has not paid/provided for any managerial remuneration during the year in accordance with the provisions of section 197 read with Schedule V of the Act. Accordingly, the provision of clause 3(xi) of the Order is not applicable to the Company.
- (xii) In our opinion, the Company is not a Nidhi Company. Therefore, reporting under paragraph 3 (xii) of the Order is not applicable to the Company.
- (xiii) In our opinion and according to the information and explanations given to us, transactions during the year with the related parties were approved by the Audit Committee and are in compliance with section 177 of the Act where applicable and since the said transactions were in the ordinary course of business of the company and were at arm's length basis, the provisions of section 188 are not applicable, and the details have been disclosed in the standalone financial statements, as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us and on an overall examination of the Balance Sheet, the Company has not made any preferential allotment/private placement of shares or fully or partly convertible debentures during the year.
- (xv) Based on our audit procedures performed for the purpose of reporting the true and fair view of the standalone financial statements, in our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with him.
- (xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, reporting under paragraph 3 (xvi) of the Order is not applicable to the Company.

For HPVS & Associates.
Chartered Accountants
Firm Registration No.: 137533W

Hitesh Khandhadia

Partner
M.No. 158148
UDIN: 20158148AAAABW3330

Place: Mumbai
Date: October 22, 2020

ANNEXURE B TO THE INDEPENDENT AUDITORS' REPORT

Report on the internal financial controls with reference to the aforesaid standalone financial statements under Clause (i) of sub-section (3) of Section 143 of the Act

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

Disclaimer of Opinion

We have audited the internal financial controls over financial reporting of **Minal Industries Limited** ("the Company") as of March 31, 2020 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

According to the information and explanation given to us, the Company has not established its internal financial control over financial reporting on criteria based on or 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. Because of this reason, we are unable to obtain sufficient appropriate audit evidence to provide a basis for our opinion whether the Company had adequate internal financial controls over financial reporting and whether such internal financial controls were operating effectively as at March 31, 2020.

We have considered the disclaimer reported above in determining the nature, timing, and extent of audit tests applied in our audit of the standalone financial statements of the Company, and the disclaimer does not affect our opinion on the standalone financial statements of the Company

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

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

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting with reference to these standalone financial statements.

Meaning of Internal Financial Controls Over Financial Reporting with reference to these Standalone Financial Statements

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting with reference to these Standalone Financial Statements

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

For HPVS & Associates.
Chartered Accountants
Firm Registration No.: 137533W

Hitesh Khandhadia
Partner
M.No. 158148
UDIN: 20158148AAAABW3330

Place: Mumbai
Date: October 22, 2020

ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT (Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Minal Industries Limited of even date)

- (iv) (a) The Company has not maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - (b) No physical verification of fixed assets has been conducted by the management during the year or in the recent past. In our opinion, the frequency of verification needs to be improved to be commensurate with the size of the Company and the nature of its business.
 - (c) According to the information and explanations given to us, the records examined by us and based on the examination of the conveyance deeds provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date.
- (v) The management has conducted physical verification of inventory at reasonable intervals during the year. In our opinion, the frequency of such verification is reasonable and no material discrepancies were noticed on such physical verification.
- (vi) The Company has granted unsecured loans to one of its subsidiary company covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act').
 - (d) In our opinion, the rate of interest and other terms and conditions on which the loans had been granted to subsidiary listed in the register maintained under Section 189 of the Act are not, prima facie, prejudicial to the interest of the Company.
 - (e) The register mentioned u/s 189 is not maintained by the Company. The Company has granted loans that are re-payable on demand, to a Company covered under Section 189 of the Act. We have been informed that the Company has not demanded repayment of any such loan during the year, and thus, there has been no default on the part of the parties to whom the money has been lent.
 - (f) There are no amounts of loans granted to companies, firms or other parties listed under section 189 of the Act which are overdue for more than ninety days.
- (iv) In our opinion and according to the information and explanations given to us, the Company has not granted any loans or provided any guarantee or security to the parties covered under section 185. Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, the Company has complied with the provisions of section 186 of the Act in respect of the loans and investments made and guarantees and securities provided by it.
- (v) According to the information and explanations given to us, the Company has not accepted any deposit and, hence, reporting under paragraph 3 (v) of the Order is not applicable to the Company.

xvii) To the best of our knowledge and as explained, the Central Government has not prescribed maintenance of cost records under sub-section 1 of section 148 of the Act.

- (xviii) (a) According to the information and explanations given to us, and the records of the Company examined by us, the Company is regular in depositing with the appropriate authorities undisputed statutory dues including provident fund, income tax, goods and service tax, duty of customs, cess and other material statutory dues applicable to it. According to information and explanation given to us, no undisputed amounts payable were outstanding, at the year end, for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us, there are no dues of sales tax, wealth tax, service tax, goods and service tax, income tax, duty of excise, value added tax, and cess which have not been deposited on account of any dispute except as follows:

Name of the Statute	Nature of the Dues	Amount	Period to which the amount relates	Forum where dispute is pending
The Income Tax Act, 1961	Income tax	4,99,230	A.Y. 1998-99	Ahmedabad High Court
		1,72,530	A.Y. 2011-12	Commissioner of Income Tax Appeal - Mumbai
Maharashtra Stamp Act, 1958	Penalty	30,84,480	2016-17	Collector of Stamp (Efr-1), Mumbai

- (xix) Based on our examination of documents and records, the Company has not taken any loan from a financial institution, a bank, the government or issued debentures and, hence, reporting under paragraph 3 (viii) of the Order is not applicable to the Company.
- (xx) Based on our audit procedures performed for the purpose of reporting the true and fair view of the standalone financial statements and according to the information and explanations given by the management, the Company has not raised any money by way of initial public offer or further public offer (including debt instruments) and term loans, hence, reporting under paragraph 3 (ix) of the Order is not applicable to the Company.
- (xxi) Based on the audit procedures performed for the purpose of reporting the true and fair view of the standalone financial statements and according to the information and explanations given by the Management, we report that no material fraud by the Company and on the Company by its officer or employees has been noticed or reported during the year.
- (xxii) According to the information and explanations given to us and based on our examination of the records of the Company, the Managing Director of the Company is holding place of profit in the Subsidiary Company and remuneration is paid to him by the Subsidiary Company. However, the Company has not paid/provided for any managerial remuneration during the year in accordance with the provisions of section 197 read with Schedule V of the Act. Accordingly, the provision of clause 3(xi) of the Order is not applicable to the Company.

- (xxiii) In our opinion, the Company is not a Nidhi Company. Therefore, reporting under paragraph 3 (xii) of the Order is not applicable to the Company.
- (xxiv) In our opinion and according to the information and explanations given to us, transactions during the year with the related parties were approved by the Audit Committee and are in compliance with section 177 of the Act where applicable and since the said transactions were in the ordinary course of business of the company and were at arm's length basis, the provisions of section 188 are not applicable, and the details have been disclosed in the standalone financial statements, as required by the applicable accounting standards.
- (xxv) According to the information and explanations given to us and on an overall examination of the Balance Sheet, the Company has not made any preferential allotment/private placement of shares or fully or partly convertible debentures during the year.
- (xxvi) Based on our audit procedures performed for the purpose of reporting the true and fair view of the standalone financial statements, in our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with him.
- (xxvii) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, reporting under paragraph 3 (xvi) of the Order is not applicable to the Company.

For HPVS & Associates.

Chartered Accountants

Firm Registration No.: 137533W

Hitesh Khandhadia

Partner

M.No. 158148

UDIN: 20158148AAAABW3330

Place: Mumbai

Date: October 22, 2020

ANNEXURE B TO THE INDEPENDENT AUDITORS' REPORT

Report on the internal financial controls with reference to the aforesaid standalone financial statements under Clause (i) of sub-section (3) of Section 143 of the Act

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

Disclaimer of Opinion

We have audited the internal financial controls over financial reporting of **Minal Industries Limited** ("the Company") as of March 31, 2020 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

According to the information and explanation given to us, the Company has not established its internal financial control over financial reporting on criteria based on or 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. Because of this reason, we are unable to obtain sufficient appropriate audit evidence to provide a basis for our opinion whether the Company had adequate internal financial controls over financial reporting and whether such internal financial controls were operating effectively as at March 31, 2020.

We have considered the disclaimer reported above in determining the nature, timing, and extent of audit tests applied in our audit of the standalone financial statements of the Company, and the disclaimer does not affect our opinion on the standalone financial statements of the Company

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting with reference to these standalone financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting with reference to these standalone financial statements,

assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting with reference to these standalone financial statements.

Meaning of Internal Financial Controls Over Financial Reporting with reference to these Standalone Financial Statements

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting with reference to these Standalone Financial Statements

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

For HPVS & Associates.
Chartered Accountants
Firm Registration No.: 137533W

Hitesh Khandhadia
Partner
M.No. 158148
UDIN: 20158148AAAABW3330

Place: Mumbai
Date: October 22, 2020

MINAL INDUSTRIES LTD
Standalone Balance Sheet as on 31st March, 2020
CIN:L32201MH1988PLC216905

(Amount in ₹)

Particulars	Note No.	As at 31st March, 2020	As at 31st March, 2019
<u>ASSETS</u>			
<u>Non current assets</u>			
A. Property, plant and equipment	2	59,82,000	68,46,511
B. Investment in subsidiaries, associates and joint venture	3	12,32,65,921	12,32,47,315
C. Financial assets			
i) Investments	4	500	500
D. Other non current assets	5	-	5,43,235
Total Non current assets		12,92,48,421	13,06,37,561
<u>Current assets</u>			
A. Inventories	6	9,14,30,810	14,51,46,268
B. Financial assets			
i) Trade receivable	7	7,83,128	11,79,81,515
ii) Cash and cash equivalents	8	73,108	1,25,000
iii) Bank balances other than (ii) above	9	1,45,84,481	1,84,481
iv) Loans	10	32,14,17,834	21,34,28,830
v) Other financial assets	11	2,40,94,872	67,00,383
C. Current tax assets (net)	12	20,38,194	6,896
D. Other current assets	13	6,66,962	4,49,385
Total Current assets		45,50,89,389	48,40,22,758
Total Assets		58,43,37,810	61,46,60,319
<u>EQUITY AND LIABILITIES</u>			
<u>Equity</u>			
A. Equity share capital	14	38,38,01,300	38,38,01,300
B. Other equity	15	19,85,11,126	22,47,00,754
Total Equity		58,23,12,426	60,85,02,054
<u>Liabilities</u>			
<u>Non-current liabilities</u>			
A. Provisions	16	1,58,682	1,13,706
B. Deferred tax liabilities (net)	17	5,46,914	5,39,234
Total Non Current Liabilities		7,05,596	6,52,940
<u>Current liabilities</u>			
A. Financial Liabilities			
i) Borrowings	18	-	34,51,295
ii) Trade payables	19		
- Total outstanding dues of Micro enterprises and Small enterprises			-

- Total outstanding dues of creditors other than Micro enterprises and Small enterprises		10,90,290	12,52,055
iii) Other financial liabilities	20	1,99,081	2,32,632
B. Other current liabilities	21	28,814	5,68,194
C. Provisions	22	1,603	1,149
Total Current liabilities		13,19,788	55,05,325
Total Equity and Liabilities		58,43,37,810	61,46,60,319
Significant Accounting Policies And Key accounting estimates Judgements	1		

The accompanying notes from an integral part of financial statements.

As Per Our Attached Report of Even Date

For and on behalf of the Board of Directors

For HPVS & Associates

Chartered Accountants
Firm's Registration No. 137533W

Hitesh R. Khandhadia
Partner
Membership No.: 158148
UDIN :20158148AAAABW3330

Shrikant Parikh
Director
DIN : 00112642

Sona Parikh
Director
DIN : 03283751

Date : October 22,2020
Place : Mumbai

Date : October 22,2020
Place : USA

MINAL INDUSTRIES LTD
Statement of Standalone Profit and Loss for the year ended 31st March, 2020

(Amount in ₹)

Particulars	Note No.	For the year ended 31st March, 2020	For the year ended 31st March, 2019
INCOME			
A. Revenue from operations		-	-
B. Other income	23	2,33,04,807	99,05,756
Total Income (A)		2,33,04,807	99,05,756
EXPENSES			
A. Changes in inventories of finished goods	24	5,37,15,458	-
B. Employee benefits expense	25	5,99,779	5,63,471
C. Finance costs		1,01,256	-
D. Depreciation and amortization expense	26	3,81,165	29,31,542
E. Other expenses	27	35,47,302	71,41,777
F. Discount to export customers (Refer Note 39)		1,01,15,217	-
Total Expenses (B)		6,84,60,177	1,06,36,790
Profit/(loss) before exceptional items and tax (A-B)		(4,51,55,370)	(7,31,034)
Exceptional Items	28	1,89,73,422	-
Profit/ (loss) before tax (C)		(2,61,81,948)	(7,31,034)
Less : Tax expenses	29		
A. Current tax		-	-
B. Deferred tax		7,680	(8,20,652)
		7,680	(8,20,652)
Profit for the year (D)		(2,61,89,628)	89,619
Other comprehensive income			
A (i) Items that will not be reclassified to profit or loss		-	-
(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-
B (i) Re-Measurement of the defined benefit plans		-	-
(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
Total Other Comprehensive Income for the year (E)		-	-
Total Comprehensive Income for the year (D+E)		(2,61,89,628)	89,619
Earnings per equity share (₹)			
(Face value of equity share of ₹ 2 each)	30		
Basic (₹)		(0.14)	0.00
Diluted (₹)		(0.14)	0.00
Significant accounting policies and key accounting estimates and judgements	1		

The accompanying notes from an integral part of financial statements.

As Per Our Report of Even Date

For and on behalf of the Board of Directors

For HPVS & Associates

Chartered Accountants
Firm's Registration No. 137533W

Shrikant Parikh
Director
DIN : 00112642

Sona Parikh
Director
DIN : 03283751

Hitesh R. Khandhadia
Partner
Membership No.: 158148
UDIN :20158148AAAAABW3330

Date : October 22,2020
Place : Mumbai

Date : October 22,2020
Place : USA

Standalone Statement of Cash Flows

(Amount in ₹)

Particulars		Year ended 31.03.2020	Year ended 31.03.2019
A.	CASH FLOW FROM OPERATING ACTIVITIES		
	Profit before tax	(2,61,81,948)	(7,31,034)
	Adjusted for :		
	Depreciation	3,81,165	29,31,542
	Interest Income	(1,94,81,274)	(10,67,764)
	Provision for Gratuity	45,430	26,657
	Realized & Unrealized Foreign Exchange Gain	(29,16,870)	(64,78,538)
	Share in Loss in Partnership Firm	62,394	89,028
	MVAT Written off	-	5,05,953
	Expenditure on Sale of Plant & Machinery	5,20,517	-
	Discount to export customers	1,01,15,217	-
	Profit on sale of Assets	(1,98,80,085)	-
	Operating Profit Before Working Capital Changes	(5,73,35,456)	(47,24,156)
	Adjustments For Changes In Working Capital		
	(Increase)/Decrease In Trade Receivable	10,84,46,101	1,45,215
	(Increase) / Decrease in Financials Assets	(10,56,86,000)	32,28,414
	(Increase) / Decrease in Other Financials Assets	20,86,785	2,35,407
	(Increase) / Decrease in Other Current Asstes	(2,17,577)	-
	(Increase) / Decrease in Inventories	5,37,15,458	-
	Increase/ (Decrease) in trade payables	(1,61,762)	(8,38,330)
	Increase/ (Decrease) in other financial Liability	(33,551)	(9,759)
	Increase / (Decrease) in Other Current Liability	(39,380)	5,56,670
	Cash Flow from Operations	7,74,618	(14,06,539)
	Direct Taxes Refund/ (Paid)	(20,31,298)	-
	Net Cash from Operating Activities (A)	(12,56,680)	(14,06,539)
B.	CASH FLOW FROM INVESTING ACTIVITIES		
	Sale / (Purchase) of investment	(1,44,81,000)	49,028
	Sale / (Purchase) of Property, plant and equipment	1,91,37,083	-
	Interest Income	-	10,67,764
	Net Cash used in Investing Activities (B)	46,56,083	11,16,792
C.	CASH FLOW FROM FINANCING ACTIVITIES		
	Repayment of borrowing	(34,51,295)	-
	Net Cash used in Financing Activities (C)	(34,51,295)	-
	NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)	(51,892)	(2,89,747)
	Cash and Cash Equivalents - Opening Balance	1,25,000	4,14,747
	Cash and Cash Equivalents - Closing Balance (refer note 8)	73,108	1,25,000

Note :

(a) The above Cash Flow Statement is prepared under the "Indirect Method" as set out in the IND AS-7 - Statement of Cash Flow.

(b) Changes in liabilities arising from financing activities

(Amount in ₹)

Particulars	As at 31st March 2019	Cash flow	Adjustment	As at 31st March 2020
Borrowings	34,51,295	(34,51,295)	-	-
	34,51,295	(34,51,295)	-	-

(Amount in ₹)

Particulars	As at 31st March 2018	Cash flow	Adjustment	As at 31st March 2019
Borrowings	34,51,295	-	-	34,51,295
	34,51,295	-	-	34,51,295

As Per Our Report of Even Date

For HPVS & Associates

Chartered Accountants
Firm's Registration No. 137533W

Hitesh R. Khandhadia
Partner
Membership No.: 158148
UDIN :20158148AAAABW3330

Date : October 22,2020
Place : Mumbai

For and on behalf of the Board of Directors

Shrikant Parikh Sona Parikh
Director Director
DIN : 00112642 DIN : 03283751

Date : October 22,2020
Place : USA

MINAL INDUSTRIES LTD
Statement of standalone changes in Equity for the year ended 31st March, 2020

(A) EQUITY SHARE CAPITAL:

(Amount in ₹)

Particulars	No. of share	Amount
Issued, subscribed and fully paid up		
Equity shares of ₹ 2 each		
Balance as at 1 April 2018	19,19,00,650	38,38,01,300
Changes in equity share capital during the year	-	-
Balance as at 31 March 2019	19,19,00,650	38,38,01,300
Changes in equity share capital during the year	-	-
Balance as at 31 March 2020	19,19,00,650	38,38,01,300

(B) OTHER EQUITY:

(Amount in ₹)

Particulars	Reserve and Surplus					Revaluation Reserve	Total
	Capital Reserve	Security Premium	Retained Earning	General Reserve	Investment Allowance Reserve		
Balance as at 1st April, 2018	80,33,231	11,67,29,360	1,60,16,481	8,33,92,370	2,77,810	1,61,883	22,46,11,135
Profit for the year	-	-	89,619	-	-	-	89,619
Balance as at 31st March, 2019	80,33,231	11,67,29,360	1,61,06,100	8,33,92,370	2,77,810	1,61,883	22,47,00,754
Loss for the year	-	-	(2,61,89,628)	-	-	-	(2,61,89,628)
Balance as at 31st March, 2020	80,33,231	11,67,29,360	(1,00,83,528)	8,33,92,370	2,77,810	1,61,883	19,85,11,126

The accompanying notes from an integral part of financial statements.

As Per Our Report of Even Date

For HPVS & Associates

Chartered Accountants

Firm Registration No. 137533W

Hitesh R. Khandhadia

Partner

Membership No.: 158148

UDIN :20158148AAAABW3330

Date : October 22,2020

Place : Mumbai

For and on behalf of the Board of Directors

Shrikant Parikh

Director

DIN : 00112642

Sona Parikh

Director

DIN : 03283751

Date : October 22,2020

Place : USA

MINAL INDUSTRIES LIMITED
Notes to Standalone Financial Statements for the year ended 31st March, 2020
NOTE 3:-NON -CURRENT ASSETS - INVESTMENTS IN SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE

(Amount in ₹)

Particular	As at 31st March, 2020	As at 31st March, 2019
Unquoted investments in equity instruments		
(i) Subsidiary Companies (at cost or deemed cost)		
Minal International FZE (Sharjah)		
1 (Previous Year 1) Share of 1,50,000 AED each.	18,37,500	18,37,500
Minal Infojewels Limited		
1,23,50,000 (Previous Year 1,23,50,000) Equity Shares of ₹ 10 each	12,35,00,000	12,35,00,000
ii) Investment In Partnership Firm (at cost)		
Capital in M/s RSBL Jewels	(20,71,579)	(20,90,185)
Total Investment in Subsidiary, Associate and Joint Venture	12,32,65,921	12,32,47,315
Aggregate amount of carrying amount of unquoted investments	12,32,65,921	12,32,47,315
Aggregate amount of impairment value of unquoted investments	-	-

Details of Investment in Partnership Firm

(Amount in ₹)

Name of Partner	As at 31st March, 2020	As at 31st March, 2019
Minal Industries		
Capital Balance (Debit)/Credit	(20,71,579)	(20,90,185)
Share of Profit (Percentage)	99%	99%
Shree Mehul Dinesh Kumar Kothari		
Capital Balance (Debit)/Credit	11,68,254	11,68,884
Share of Profit (Percentage)	1%	1%

NOTE 4:-NON -CURRENTS FINANCIAL ASSETS -INVESTMENTS

(Amount in ₹)

Particular	As at 31st March, 2020	As at 31st March, 2019
Unquoted investments in equity instruments at FVTPL		
Sterling Centre Premises Owners Co-op Society Ltd.		
1 (Previous Year 1) Share of ₹ 500 each.	500	500
Total	500	500
Aggregate amount of carrying amount of unquoted investments	500	500
Aggregate amount of impairment value of unquoted investments	-	-

NOTE 5 : OTHER NON CURRENT ASSETS

(Amount in ₹)

Particular	As at 31st March, 2020	As at 31st March, 2019
Leasehold Land (Refer Note 40)	-	5,43,235
Total	-	5,43,235

NOTE 6 : INVENTORIES

(Amount in ₹)

Particular	As at 31st March, 2020	As at 31st March, 2019
Inventories (At lower of cost or net realisable value)		

- Finished Goods	9,14,30,810	14,51,46,268
Total	9,14,30,810	14,51,46,268

Cost of inventory recognised as an expenses for the year ended 31st March 2020 is Nil. (PY ₹ Nil)

Written down of inventories to net realisable value amounted to ₹ 5,37,15,458(PY ₹ Nil). These were recognised as an expense during the year.

NOTE 7 : TRADE RECEIVABLES

(Amount in ₹)

Particular	As at 31st March, 2020	As at 31st March, 2019
Trade Receivables considered good - Secured	-	-
Trade Receivables considered good - Unsecured including related parties (refer note 35)	7,83,128	11,79,81,515
Trade Receivables which have significant increase in Credit Risk	-	-
Less: Allowance for doubtful debts	-	-
Trade Receivable - credit impaired	-	-
Less: Allowance for doubtful debts	-	-
Total	7,83,128	11,79,81,515

Note 7.1

No trade or other receivable are due from directors or other officers of the Company either severally or jointly with any other person; or any trade or other receivable are due from firm or private companies in which any director is a partner, a director or a member.

Note 7.2

Ageing of receivables that are past due

(Amount in ₹)

Particular	As at 31st March, 2020	As at 31st March, 2019
Less than 90 Days	-	2,61,79,798
91-180 Days	7,83,128	-
181-365 Days	-	-
More than 365 Days	-	9,18,01,717
Total	7,83,128	11,79,81,515

The credit period ranges from 1 to 60 days with or without security

NOTE 8 : CASH AND CASH EQUIVALENTS

(Amount in ₹)

Particular	As at 31st March, 2020	As at 31st March, 2019
Balances with Banks:		
- In current account	35,826	1,08,834
Cash on Hand	37,282	16,166
Total	73,108	1,25,000

NOTE 9 : BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENT

(Amount in ₹)

Particular	As at 31st March, 2020	As at 31st March, 2019
Other Bank Balance*	1,84,481	1,84,481
In Term Deposits with maturity more than 3 Months but less than 12 month at inception	1,44,00,000	-
Total	1,45,84,481	1,84,481

* Above bank balance is earmarked against Unclaimed dividend outstanding for more than seven years as on 31.03.2020

NOTE 10 : CURRENT FINANCIAL ASSETS - LOANS

(Amount in ₹)

Particular	As at 31st March, 2020	As at 31st March, 2019
Loans to related parties (Refer Note 35)*	31,74,75,008	20,94,64,005
Loans to others	39,04,826	39,04,825
Advances to employee	38,000	60,000
Total	32,14,17,834	21,34,28,830
Sub-classification of Loans		
(a) Secured, considered good		-
(b) Unsecured, considered good	32,14,17,834	21,34,28,830
(c) Doubtful, Allowance for bad and doubtful loans shall be disclosed under the relevant heads separately.		-

* Loans are given for business purpose.

NOTE 11 : CURRENT FINANCIAL ASSETS - OTHER

(Amount in ₹)

Particular	As at 31st March, 2020	As at 31st March, 2019
Unsecured, considered Good		
Interest Receivable on Loan to related party (refer note 35)	2,31,89,137	61,60,349
Interest Receivable on Fixed deposit	6,65,701	-
Security Deposit	2,40,034	5,40,034
Total	2,40,94,872	67,00,383

NOTE 12 : CURRENT TAX ASSET (NET)

(Amount in ₹)

Particular	As at 31st March, 2020	As at 31st March, 2019
Advance Tax and Tax deducted at source (net)	20,38,194	6,896
Total	20,38,194	6,896

Note 13 : Other current asset

(Amount in ₹)

Particular	As at 31st March, 2020	As at 31st March, 2019
Prepayment	42,831	55,830
Indirect Tax Balances (ITC)	6,24,131	3,93,555
Total	6,66,962	4,49,385

MINAL INDUSTRIES LIMITED

Notes to Standalone Financial Statements for the year ended 31st March, 2020

NOTE 14 : EQUITY SHARE CAPITAL

(Amount in ₹)

Particular	As at 31st March, 2020	As at 31st March, 2019
Authorised 31,50,00,000 Equity Shares of ₹ 2 each	63,00,00,000	63,00,00,000
Issued, Subscribed and Paid up 19,19,00,650 Equity Shares of ₹ 2 each	38,38,01,300	38,38,01,300
	38,38,01,300	38,38,01,300

(a) Reconciliation of the number of the shares outstanding at the beginning and at the end of the year:

(Amount in ₹)

Issued Subscribed and paid up share capital	As at 31st March, 2020		As at 31st March, 2019	
	No. of Shares	Amount	No. of Shares	Amount
Balance at the beginning of the year	19,19,00,650	38,38,01,300	19,19,00,650	38,38,01,300
Add: shares issued during the year	-	-	-	-
Balance at the end of the year	19,19,00,650	38,38,01,300	19,19,00,650	38,38,01,300

(b) Rights, preferences and restrictions attached to shares

The Company has one class of equity shares having a par value of ₹ 2 per share. Each holder of equity shares is entitled to one vote per share held. In the event of liquidation of the company, the holders of equity shares will be entitled to receive the remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the share holder.

(c) Details of shareholders holding more than 5 % shares in the Company:-

Name of the Share holder	As at 31st March, 2020		As at 31st March, 2019	
	No. of Shares	% holding	No. of Shares	% holding
Jesinghbai Parikh	10,81,18,055	56.34	10,81,18,055	56.34
Aanishka Construction Private Limited	98,29,085	5.12	98,29,085	5.12
Mahendra Chandulal Shah	2,10,00,000	10.94	2,10,00,000	10.94
Champak Kirtilal Mehta	2,10,00,000	10.94	2,10,00,000	10.94
Total	15,99,47,140	83.34	15,99,47,140	83.34

NOTE 15 : OTHER EQUITY

(Amount in ₹)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Retained Earnings		
Surplus/(Deficit) in the statement of profit and loss		
Balance at beginning of the year	1,61,06,100	1,60,16,481
Add: Profit/(loss) for the year	(2,61,89,628)	89,619
Balance at end of the year	(1,00,83,528)	1,61,06,100
Capital Reserve		
Balance at beginning of the year	80,33,231	80,33,231
Add: Transfer to (from) the reserve	-	-
Balance at end of the year	80,33,231	80,33,231
Security Premium		
Balance at beginning of the year	11,67,29,360	11,67,29,360
Add: Transfer to (from) the reserve	-	-
Balance at end of the year	11,67,29,360	11,67,29,360
Investment Allowance Reserve		
Balance at beginning of the year	2,77,810	2,77,810
Add: Transfer to (from) the reserve	-	-
Balance at end of the year	2,77,810	2,77,810
Revaluation Reserve		
Balance at beginning of the year	1,61,883	1,61,883
Add: Transfer to (from) the reserve	-	-
Balance at end of the year	1,61,883	1,61,883

General Reserve		
Balance at beginning of the year	8,33,92,370	8,33,92,370
Add: Transfer to (from) the reserve	-	-
Balance at end of the year	8,33,92,370	8,33,92,370
Total	19,85,11,126	22,47,00,754

Nature and Description

1. Retained Earnings

Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders.

2. Security Premium

The amount received in excess of face value of the equity shares is recognised in Securities Premium. In case of equity-settled share based payment transactions, the difference between fair value on grant date and nominal value of share is accounted as securities premium

3. Revaluation Reserve

It is created through the revaluation of assets as per the Companies Act, 2013 and Indian Accounting Standard notified by Ministry of Corporate Affairs (MCA) .

4 General reserve

The Company had transferred a portion of the net profit of the Company before declaring dividend to general reserve pursuant to the earlier provisions of Companies Act, 1956. Mandatory transfer to general reserve is not required under the Companies Act, 2013. During the year the Company has reclassified the amount standing to the credit.

MINAL INDUSTRIES LIMITED

Notes to Standalone Financial Statements for the year ended 31st March, 2020

NOTE 16 : NON CURRENT LIABILITIES - PROVISION

(Amount in ₹)

Particular	As at 31st March,2020	As at 31st March, 2019
Provision for employee benefit expenses		
- Provision for gratuity (Refer Note 32)	1,58,682	1,13,706
Total	1,58,682	1,13,706

NOTE 17 : NON CURRENT LIABILITIES - DEFERRED TAX LIABILITY

(Amount in ₹)

Particular	As at 31st March,2020	As at 31st March, 2019
Deferred tax liability (Refer Note 29)	5,46,914	5,39,234
Total	5,46,914	5,39,234

NOTE 18 : CURRENT FINANCIAL LIABILITIES - BORROWINGS

(Amount in ₹)

Particular	As at 31st March,2020	As at 31st March, 2019
Unsecured Loan		
Loan from director (Refer Note 35)	-	34,51,295
Total	-	34,51,295

NOTE 19 : CURRENT FINANCIAL LIABILITIES - TRADE PAYABLES

(Amount in ₹)

Particular	As at 31st March,2020	As at 31st March, 2019
Total outstanding dues of micro enterprises and small enterprises (Refer Note 19.1)	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	10,90,290	12,52,055
Total	10,90,290	12,52,055

Note 19.1: Details of Dues to Micro, Small and Medium Enterprises as Defined under the Micro Small Medium Enterprises Act, 2006

Particular	As at 31st March,2020	As at 31st March, 2019
Principal amount due outstanding as at end of year	-	-
Interest due on above and unpaid as at end of year	-	-
Interest paid to the supplier	-	-
Payments made to the supplier beyond the appointed day during the year	-	-
Interest due and payable for the period of delay	-	-
Interest accrued and remaining unpaid as at end of year	-	-
Amount of further interest remaining due and payable in succeeding year	-	-

NOTE 20 : CURRENT FINANCIAL LIABILITIES - OTHERS

(Amount in ₹)

Particular	As at 31st March,2020	As at 31st March, 2019
Payable to employees	-	32,841
Unclaimed dividend*	1,84,481	1,84,481
Other payable**	14,600	15,310
Total	1,99,081	2,32,632

* Unclaimed dividend is outstanding for more than seven years as on 31.03.2020.

** Other Payable include payment to vendors

NOTE 21 : OTHER CURRENT LIABILITIES

(Amount in ₹)

Particular	As at 31st March,2020	As at 31st March, 2019
Statutory liabilities	28,814	68,194
Advance received on sale of asset	-	5,00,000
Total	28,814	5,68,194

NOTE 22 : CURRENT LIABILITIES - PROVISION

(Amount in ₹)

Particular	As at 31st March,2020	As at 31st March, 2019
Provision for employee benefit expenses		
- Provision for gratuity (Refer Note 32)	1,603	1,149
Total	1,603	1,149

MINAL INDUSTRIES LIMITED
Notes to Standalone Financial Statements for the year ended 31st March, 2020
NOTE 23 : OTHER INCOME

(Amount in ₹)

Particular	For the year ended March 31,2020	For the year ended March 31, 2019
Interest Income earned on financial assets that are not designated as FVTPL		
On Bank Deposits	6,90,209	-
On loan to Related Parties(refer note 35)	1,87,91,065	10,67,764
Profit on sale of Property,plant and equipment	9,06,663	-
Foreign exchange gain (net)	29,16,870	76,30,599
Sundry Creditors Written Back	-	12,07,393
Total	2,33,04,807	99,05,756

NOTE 24 : CHANGES IN INVENTORIES OF FINISHED GOODS

(Amount in ₹)

Particular	For the year ended March 31,2020	For the year ended March 31, 2019
Opening Stock of Finished Goods	14,51,46,268	14,51,46,268
Closing Stock of Finished Goods	9,14,30,810	14,51,46,268
Changes in Stock of Finished Goods	5,37,15,458	-

NOTE 25 : EMPLOYEE BENEFITS EXPENSE

(Amount in ₹)

Particular	For the year ended March 31,2020	For the year ended March 31, 2019
Salaries and Wages	5,44,727	5,36,814
Gratuity expense (Refer Note 32)	45,430	26,657
Staff Welfare Expenses	9,622	-
Total	5,99,779	5,63,471

NOTE 26 : DEPRECIATION AND AMORTIZATION EXPENSES

(Amount in ₹)

Particular	For the year ended March 31,2020	For the year ended March 31, 2019
Depreciation on Tangible Assets	3,81,165	29,31,542
Total	3,81,165	29,31,542

NOTE 27 : OTHER EXPENSES

(Amount in ₹)

Particular	For the year ended March 31,2020	For the year ended March 31, 2019
Rent, Rates and Taxes	8,93,253	8,97,815
Repairs and maintenance	25,000	7,320
Communication Charges	16,030	2,112
Printing and Stationery	6,760	29,879
Advertisement Expenses	24,846	24,986
Auditors Remuneration (refer note 34)		
- Statutory Audit	6,45,000	5,20,000
- Certification	7,500	-
Legal and Professional Fees	6,36,749	3,99,872
Insurance	1,68,050	3,70,256
Annual Listing Fees	5,71,825	11,09,850
Bank Charges	1,01,256	1,56,804
Office Expenses	25,000	56,158
Travelling, Conveyance and Car Expenses	70,998	37,412
Share of Loss in Partnership Firm	62,394	89,028
Packing Material	11,805	39,900
Electricity charges	20,440	18,560
Sundry Balances Written off	-	33,81,825
Penalty	2,65,556	-
Miscellaneous Charges	96,096	-
Total	36,48,558	71,41,777

NOTE 28 : EXCEPTIONAL ITEMS

(Amount in ₹)

Particular	For the year ended March 31,2020	For the year ended March 31, 2019
Profit on Sale of Property,plant and equipment (Refer note 40)	1,89,73,422	-
Total	1,89,73,422	-

NOTE 29: CURRENT TAX

(a) Income-tax expense through the statement of profit and loss

(Amount in ₹)

Particular	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Current tax:		
Current tax on profits for the year (a)	-	-
Tax (credit) under Minimum Alternative Tax (b)	-	-
Relating to origination and reversal of temporary differences (c)	7,680	(8,20,652)
Total	7,680	(8,20,652)

Reconciliation of Income Tax Expenses

Particular	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Profit before tax	(2,61,81,948)	(7,31,034)
Accounting Profit before tax	(2,61,81,948)	(7,31,034)
Enacted tax rate in india	26%	26%
Computed tax expense	(68,07,307)	(1,90,069)
Expenses not allowed for tax purpose	9,62,158	60,23,459
Additional allowances for tax purpose	4,04,95,033	4,78,269
Current tax	-	-
Income tax	-	-
*Deferred tax (Refer table below)	7,680	(8,20,652)
Total tax expenses	7,680	(8,20,652)
Effective rate of tax	0.00%	112.26%
MAT Credit		
MAT Liability (115JB)	-	-
MAT Credit entitlement	-	-
Current tax	-	-

There are certain income-tax related legal proceedings which are pending against the Company. Potential liabilities, if any have been adequately provided for, and the Company does not currently estimate any probable material incremental tax liabilities in respect of these matters (refer note 31).

(b) Deferred tax relates to the following:

(Amount in ₹)

Particulars	Balance Sheet		Recognised in statement	
	For the year ended 31st March, 2020	For the year ended 31st March, 2019	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Timing difference on account of book depreciation and tax depreciation	(5,88,588)	(5,69,097)	19,492	(7,90,789)
Other items giving rise to temporary differences	41,674	29,862	(11,812)	(29,862)
Deferred tax asset / (liability)	(5,46,914)	(5,39,234)	7,680	(8,20,652)

(c) Reconciliation of deferred tax assets / (liabilities) net

(Amount in ₹)

Particular	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Balance on Begning of the Year	(5,39,234)	(13,59,886)
Tax income / (expense) during the year recognised in profit or loss	(7,680)	8,20,652
Balance on ending of the Year	(5,46,914)	(5,39,234)

NOTE 30 : DISCLOSURE AS REQUIRED BY INDIAN ACCOUNTING STANDARD (IND AS) 33 EARNINGS PER SHARE

Particular	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Net profit attributable to shareholders for earnings per share (₹)	(2,61,89,628)	89,619
Number of equity shares for earnings per share (In Number)	19,19,00,650	19,19,00,650
Earning Per Share (Face vale of ₹10 per Equity Share)		
Basic earning per share (₹)	(0.14)	0.00
Diluted earning per share (₹)	(0.14)	0.00

MINAL INDUSTRIES LIMITED**Notes to Standalone Financial Statements for the year ended 31st March, 2020****NOTE 31:- CONTINGENT LIABILITIES AND COMMITMENTS****31.1 Contingent Liabilities: (to the extent not provided for)**

(Amount in ₹)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Corporate Guarantee given to bank in respect of credit facilities sanctioned to associate company	6,98,00,000	6,98,00,000
Income tax liability that may arise in respect of matters in appeal preferred by the department:	-	-
Disputed Income tax liabilities (AY 1998-99)	4,99,230	4,99,230
Disputed Income tax liabilities (AY 2011-12)	1,72,530	1,72,530
Rent & Services Charges due for Sachin Surat SEZ	61,09,021	61,09,021
Penalty under the Maharashtra Stamp Act, 1958	30,84,480	30,84,480
Total	7,96,65,261	7,96,65,261

(a) It is not practicable to estimate the timing of cash outflows, if any, in respect of matters above, pending resolution of the arbitration / appellate proceedings.

(b) The company has received communication from Bombay Stock Exchange (BSE) LIST/COMP PH VI/522235/19/INT/2018-2019 dated March 19, 2019. The communication is regarding "Initiation of and completion of the formalities for revocation of suspension of trading in the securities of the company". The Company is in the process of making suitable response to such communication, Pending submission of the reply to the stock exchange and final outcome, the management has not considered adjustments (if any) on account of above in the above statements.

31.2 In the opinion of management, the current assets, loans and advances have a value on realisation in the ordinary course of business, at least equal to the amount at which they are stated in the balance sheet. Provision for all known liabilities is adequate and not in excess of what is required.

31.3 The Company is yet to receive balance confirmation in respect of certain trade payable, other payable, trade receivable, other receivable and loan and advances. The management does not expect any material difference affecting the current year's financial statements due to the same.

NOTE 32: DISCLOSURES AS REQUIRED BY INDIAN ACCOUNTING STANDARD (IND AS 19) EMPLOYEE BENEFITS

32.1 Defined benefit plans:

(a) Gratuity (Unfunded):

"The Company provides for gratuity, a defined benefit retirement plan covering eligible employees. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount equivalent to 15 days' salary for each completed year of service. Vesting occurs upon completion of five continuous years of service in accordance with Indian law."

The company is typically expose the Group to actuarial risks such as: interest rate risk, longevity risk and salary risk.

Interest Risk:

A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the return on the plan's debt investments

Longevity risk:

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

Salary risk:

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

The most recent actuarial valuation of the plan assets and the present value of the defined benefit obligation were carried out at March 31, 2020 by M/S Kewal Krishan Wadhwa, Consulting Actuary. The present value of the defined benefit obligation, and the related current service cost and past service cost, were measured using the projected unit credit method.

The following tables summarise the components of net benefit expenses recognised in the statement of profit and loss and the funded status and amounts recognised in the balance sheet for the respective plans:

(Amount in ₹)

Particulars	Gratuity	
	As at 31st March, 2020	As at 31st March 2019
Change in present value of defined benefit obligation during the year		
Present Value of defined benefit obligation at the beginning of the year	1,14,855	88,198
Interest cost	8,798	6,818
Current service cost	17,161	13,788
Benefits paid	-	-
Actuarial (Gains)/Losses on Obligations	19,471	6,051
Past service cost, including losses on curtailments	-	-
Present Value of Benefit Obligation at the End of the year	1,60,285	1,14,855
Expense recognised in the statement of profit and loss:		
Current service cost	17,161	13,788
Interest cost	8,798	6,818
Expected return on plan assets	-	-
Net actuarial losses/(gains) recognized in the period	19,471	6,051
Total expenses included in employee benefits expense	45,430	26,657
Reconciliation statement of expense in the statement of profit and loss		
Present value of obligation as at the end of period	1,60,285	1,14,855
Present value of obligation as at the beginning of the period	(1,14,855)	(88,198)
Benefits paid	-	-
Actual return on plan assets	-	-
Expenses recognized in the statement of profit & losses	45,430	26,657
Principal actuarial assumptions:		
Discount rate	6.92%	7.66%
Long-term rate of compensation increase		
Salary escalation	7%	
Expected rate of return on plan asset	0%	0%
Average remaining working life (Years)	18	19
Actuarial Valuation Method	Projected Unit Credit (PUC) Actuarial Method	
Demographic assumptions used		
Mortality table	IALM (2012-14)	IALM (2006-08)

Retirement age	60	60
Average remaining working life (Years)	18	19
Actual contribution and benefit payments for year		
Actual benefit payments	-	-
Actual contributions	45,430	26,657
Net asset / (liability) recognised in the balance sheet		
(Present Value of Benefit Obligation at the end of the Period)	1,60,285	1,14,855
Funded Status (Surplus/ (Deficit))	(1,60,285)	(1,14,855)
Unrecognized actuarial (gains)/losses	-	-
Net (Liability)/Asset Recognized in the Balance Sheet	(1,60,285)	(1,14,855)

(b) Sensitivity analysis:

The significant actuarial assumptions for the determination of the defined benefit obligation are the discount rate, the salary growth rate and the average life expectancy. The calculation of the net defined benefit liability is sensitive to these assumptions. The following table summarises the effects of changes in these actuarial assumptions on the defined benefit liability

Particulars	(Amount in ₹)	
	As at 31st March, 2020	As at 31st March 2019
Quantitative sensitivity analysis for significant assumption is as below:		
Increase / (decrease) on present value of defined benefits obligation at the end of the year:		
Half percentage point increase in discount rate	(11,249)	(4,316)
Half percentage point decrease in discount rate	12,246	4,674
Half percentage point increase in rate of salary Increase	12,177	4,681
Half percentage point decrease in rate of salary Increase	(11,292)	4,362

Sensitivity due to mortality & withdrawals are not material & hence impact of change due to these not calculated

The present value of the defined benefit obligation calculated with the same method (projected unit credit) as the defined benefit obligation recognised in the balance sheet. The sensitivity analysis is based on a change in one assumption while not changing all other assumptions. This analysis may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in the assumptions would occur in isolation of one another since some of the assumptions may be co-related.

(C) Experience adjustments

Gratuity	2019-20	2018-19	2017-18	2016-17	2015-16
Present value of Defined Benefits Obligation	1,60,285	1,14,855	88,198	35,218	27,310
[Surplus / (Deficit)]	(1,60,285)	(1,14,855)	(88,198)	(35,218)	(27,310)

The discount rate is based on the prevailing market yields of Government of India securities as at the Balance sheet date for the estimated term of the obligation.

In assessing the Company's post retirement liabilities, the Company monitors mortality assumptions and uses up-to-date mortality tables, the base being the Indian assured lives mortality (2012-14) ultimate.

The estimates of future salary increase, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

MINAL INDUSTRIES LIMITED

Notes to Financial Statements for the year ended 31st, March, 2019

NOTE 33: SEGMENT INFORMATION

The Company is primarily engaged in the business of manufacture and sale of gold jewellery, diamond studded jewellery and silver articles of various designs/specifications. The Company's manufacturing facilities are located in India. Segment level information as per Ind AS 108 "Operating Segments" is provided for the different geographical areas i.e within and outside India represented by domestic and exports respectively.

MINAL INDUSTRIES LIMITED

Notes to Standalone Financial Statements for the year ended 31st March, 2020

NOTE 34: REMUNRATION TO STATUTORY AUDITOR (EXCLUDING GST)

(Amount in ₹)

Particulars	As at 31st March, 2020	As at March 31,2019
Statutory Audit fees	6,45,000	5,20,000
Certification	7,500	-
Total	6,52,500	5,20,000

NOTE 35: DISCLOSURES AS REQUIRED BY INDIAN ACCOUNTING STANDARDS (IND AS 24) RELATED PARTY DISCLOSURE

(a) List of Related Parties

1. Subsidiaries

Minal International FZE –UAE
Minal Infojewels Ltd
M/S RSBL Jewels-Partnership Firm

2. List of Related Parties other than subsidiaries

Minal Electrical & Engineering
Minal Plastic Product
Minal Jewels (USA)
Selection INC (USA)
C.Mahendra Jewels USA
Clicks Metro Online Pvt. Ltd
Minal Exim Pvt Ltd
Minal Infracons Pvt Ltd
Minal Infrastructure & Properties Pvt.Ltd
Minal Lifestyles Pvt Ltd.

Nature of Relation

Others
Others
Others
Others
Others
Others
Others
Others
Others
Others

3. Key Managerial Personnel

Shri. Shrikant Parikh
Shri. Amulbhai Jethabhai patel
Shri. Shankar Bhagat
Mrs. Sona Parikh

Designation

Director
Director
Director
Director

(b) Transaction during the year with related parties:

(Amount in ₹)

Particulars	For the Year ended 31.03.2020	For the Year ended 31.03.2019
1. Interest Income on Loan		
Minal International FZE	11,68,296	10,67,764
Minal Infojewels Ltd	1,76,22,769	-
	1,87,91,065	10,67,764
2. Sale of Property,Plant and Equipment		
Minal Infojewels Ltd	7,25,628	-
	7,25,628	-
3. Professional Fees Paid		
Shankar Prasad Bhagat	15,000	12,000
	15,000	12,000
4. Loans given		
Minal Infojewels Ltd	11,18,18,000	64,00,000
	11,18,18,000	64,00,000
5. Loans repaid by		
Minal Infojewels Ltd	61,10,000	29,13,000
	61,10,000	29,13,000

6. Loans repaid to		
Shrikant Parikh	34,51,295	-
	34,51,295	-
7. Investment made		
M/S RSBL Jewels-Partnership Firm	81,000	40,000
	81,000	40,000

Terms and Conditions

(i) The Company has given loans to above entities for business purposes. All the loans given are unsecured loans.

(c) Amount due to/from:

(Amount in ₹)

Particulars	As at 31st March, 2020	As at March 31, 2019
1. Accounts receivables		
Minal Jewels	-	11,79,81,515
	-	11,79,81,515
2. Accounts payable as at year end		
Shankar Prasad Bhagat	-	12,000
	-	12,000
3. Loans given		
Minal Infojewels Ltd	29,15,53,761	18,58,45,761
Minal International FZE –UAE	2,34,47,359	2,11,44,356
	31,50,01,120	20,69,90,117
4. Other advances receivables		
Minal Infojewels	7,83,128	-
Selection Inc Receivable (USA)	24,73,888	24,73,888
	32,57,016	24,73,888
5. Interest Receivable		
Minal International FZE –UAE	73,28,645	61,60,349
Minal Infojewels Ltd	1,58,60,492	-
	2,31,89,137	61,60,349
6. Loans payable		
Shrikant Parikh	-	34,51,295
	-	34,51,295
7. Investment made		
Minal International FZE (Sharjah)	18,37,500	18,37,500
Minal Infojewels Limited	12,35,00,000	12,35,00,000
Capital in M/s RSBL Jewels	(20,71,579)	(20,90,185)
	12,32,65,921	12,32,47,315

NOTE 36: FINANCIAL INSTRUMENT

(a) Capital Risk Management

The Company's objective is to maintain a strong & healthy capital ratios and establish a capital structure that would maximise the return to stakeholders through optimum utilisation of its funds.

The Company monitors its capital using gearing ratio, which is net debt divided to total equity. Net debt includes, interest bearing loans and borrowings less cash and cash equivalents, Bank balances other than cash and cash equivalents and current investments. The Company does not have any debt and also any sub-ordinated liabilities:

The Company monitors its capital using gearing ratio, which is net debt, divided to total equity. Net debt includes, interest bearing loans and borrowings less cash and cash equivalents, bank balances other than cash and cash equivalents and current investments."

Particulars	As at 31st March, 2020	As at March 31, 2019
Long term borrowings	-	34,51,295
Current maturity of long term borrowings	-	-
Short term borrowings	-	-
Less :- Cash & cash equivalent	(73,108)	(1,25,000)
Less :- Bank Balance other than above	(1,45,84,481)	(1,84,481)
Net debt	-	31,41,814
Total equity	58,23,12,426	60,85,02,054
Gearing Ratio	-	0.01

(i) Equity includes all capital and reserves of the Company that are managed as capital.

(ii) Debt is defined as long term and Short-term borrowings, as described in note 18.

(b) Categories of Financial instruments

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair values:

Fair value of cash, trade and other short term receivables, trade payables, other current liabilities, short term loans from banks and other financial institutions approximate their carrying amounts largely due to the short-term maturities of these instruments.

(Amount in ₹)

Particulars	Level	March 31, 2020		March 31, 2019	
		Carrying value	Fair value	Carrying value	Fair value
Financial assets					
Non-Current					
Investment		500	500	500	500
Current					
Trade receivables*		7,83,128	7,83,128	11,79,81,515	11,79,81,515
Cash and cash equivalents*		73,108	73,108	1,25,000	1,25,000
Bank Balance other than cash and cash equivalents*		1,45,84,481	1,45,84,481	1,84,481	1,84,481
Loans		32,14,17,834	32,14,17,834	21,34,28,830	21,34,28,830
Other financial assets*		2,40,94,872	2,40,94,872	67,00,383	67,00,383
Total Financial assets		36,09,53,923	36,09,53,923	33,84,20,709	33,84,20,709
Financial liabilities					
Current					
Borrowings		-	-	34,51,295	34,51,295
Trade payables*		10,90,290	10,90,290	12,52,055	12,52,055
Other financial liabilities*		1,99,081	1,99,081	2,32,632	2,32,632
Total Financial Liabilities		12,89,371	12,89,371	49,35,982	49,35,982

* The carrying amounts of trade receivables, trade payables, cash and cash equivalents, other bank balances, other financial assets and other financial liabilities are considered to be the same as their fair values, due to their short term nature.

Fair value hierarchy

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

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

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

(c) Financial Risk Management

The Company's activities expose it to a variety of financial risks: market risk, credit risk, liquidity risk and foreign exchange risk. The Company's focus is to foresee the unpredictability of financial markets and seek to minimise potential adverse effects on its financial performance.

(i) Credit risk

Credit risk refers to the risk of default on its obligation by the counterparty resulting in a financial loss. The maximum exposure to the credit risk at the reporting date is primarily from trade receivables amounting to ₹ 7,83,128 and ₹ 11,79,81,515 as of 31st March, 2020 and 31st March, 2019, respectively. The Company has its entire revenue from group companies. Hence no credit risk is perceived.

Credit risk on cash and cash equivalents is limited as the Company generally invest in deposits with banks.

(ii) Liquidity Risk management

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Maturity Profile of financial assets and financial liabilities as on 31.03.2020

(Amount in ₹)

Particulars	< 1 year	1-5 Years	> 5 years	Total
Financial Assets				
Investment	-	-	500	500
Loans	32,14,17,834	-	-	32,14,17,834
Trade receivables	7,83,128	-	-	7,83,128
Cash and cash equivalents	73,108	-	-	73,108
Bank Balance other than above	1,45,84,481	-	-	1,45,84,481
Other financial assets	2,40,94,872	-	-	2,40,94,872
Total	36,09,53,423	-	500	36,09,53,923
Financial Liabilities				
Borrowings	-	-	-	-
Other financial liabilities	1,99,081	-	-	1,99,081
Trade payables	10,90,290	-	-	10,90,290
Total	12,89,371	-	-	12,89,371

Maturity Profile of financial assets and financial liabilities as on 31.03.2019

(Amount in ₹)

Particulars	< 1 year	1-5 Years	> 5 years	Total
Financial Assets				
Investment	-	-	500	500
Loans	21,34,28,830	-	-	21,34,28,830
Trade receivables	11,79,81,515	-	-	11,79,81,515
Cash and cash equivalents	1,25,000	-	-	1,25,000
Bank Balance other than above	1,84,481	-	-	1,84,481
Other financial assets	67,00,383	-	-	67,00,383
Total	33,84,20,209	-	500	33,84,20,709
Financial Liabilities				
Borrowings	34,51,295	-	-	34,51,295
Other financial liabilities	2,32,632	-	-	2,32,632
Trade payables	12,52,055	-	-	12,52,055
Total	49,35,982	-	-	49,35,982

Capital management:

For the purposes of the Company's capital management, capital includes issued capital and all other equity reserves. The primary objective of the Company's Capital Management is to maximise shareholder value. The Company manages its capital structure and makes adjustments in the light of changes in economic environment and the requirements of the financial covenants.

(d) Foreign Currency Risk

The Company operates only in domestic market, however Company has given loan to its foreign subsidiary in foreign currency. The Company is exposed to exchange rate fluctuation to the extent of loan given.

(Amount in ₹)

Foreign currency exposure	Amount in Foreign Currency (USD)		Amount in INR	
	As at 31st March, 2020	As at March 31, 2019	As at 31st March, 2020	As at March 31, 2019
Assets				
Loan Receivable	3,09,128	3,09,128	2,34,47,359	2,36,18,243

MINAL INDUSTRIES LIMITED**Notes to Standalone Financial Statements for the year ended 31st March, 2020****NOTE 37: DISCLOSURES UNDER REGULATION 34(3) OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENT) REGULATION, 2015:**

(Amount in ₹)

Particulars	As at March 31, 2020	As at March 31, 2019
1. Loan Given:		
Minal International FZE UAE(Subsidiary)	2,34,47,359	2,43,35,515
Minal Infojewels Ltd (Subsidiary)	29,15,53,761	19,22,42,806
	31,50,01,120	21,65,78,321
2. Investment made		
Minal International FZE UAE(Subsidiary)	18,37,500	18,37,500
Minal Infojewels Ltd (Subsidiary)	12,35,00,000	12,35,00,000
	12,53,37,500	12,53,37,500

NOTE 38 : The COVID-19 has been declared a pandemic by the World Health Organization on March 11, 2020. The pandemic has led to a significant impact on the Indian Financial markets and an overall decline in the economic activities all across the world. On March 24, 2020, the Union Government of India announced a lockdown across the country for containment of the pandemic.

The Company has considered internal and external sources of information, up to the date of approval of the financial statements, in determining the impact of COVID 19 pandemic on various elements of its operations and financial statements. The Company has used the principles of prudence in applying judgments, estimates and assumptions to assess the impact of the COVID-19 pandemic on the Financial Statements as a whole for the period ended March 31, 2020.

The eventual outcome of impact of the global health pandemic may be different from those estimated as on the date of approval of these financial statements depending on how long the pandemic lasts and time period taken for the economic activities to return to normalcy. Further the impact assessment does not indicate any adverse impact on the ability of the Company to continue as a going concern.

NOTE 39 : DISCOUNT TO EXPORT CUSTOMERS

During the previous year ended 31st March,2020 the Company had provided discount to its export customers aggregating to ₹ 1,01,15,217 and had submitted the requisite applications for approval to the Authorised Dealer banks as stipulated by the Master Circular on Export of Goods and Services -Master Circular Direction on Goods and Services dated 12.01.2018 vide para C17.Subsequently the company has obtained the approvals from the authorized dealer banks for reduction in receivables corresponding to discount amounting to ₹1,01,15,217.

NOTE 40 : Exceptional item for the year ended March 31, 2020 amounting to ₹ 1,89,73,422 represents gain on sale of property, plant and equipment and transfer of rights in leasehold land.

NOTE 41 : The Company has incurred net losses of ₹ 2,61,81,948.32 during the year ended March 31, 2020 and ₹ 7,31,033.57 during year ended March 31, 2019. Management continues to strengthen its strategy to expand its market in order for the Company to increase its sales and eventually generate profit. In spite of these events or conditions which may cast a doubt on the ability of the company to continue as a going concern, the management is of the opinion that going concern basis of accounting is appropriate in view of the continued financial support from its Promoters. Accordingly, the standalone financial statements of the Company have been prepared on a going concern basis.

NOTE 42 : The additional information pursuant to Schedule III of Companies Act, 2013 is either NIL or Not Applicable.

NOTE 43 : The financial statements are approved for issue by the Audit Committee at its meeting held on 22nd October, 2020 and by the Board of Directors on 22nd October, 2020.

Note 44: The figures for the previous periods have been regrouped / reclassified / restated wherever necessary in order to make them comparable with figures for the year ended March 31, 2020.

For and on behalf of the Board of Directors

Shrikant Parikh
Director
DIN : 00112642

Sona Parikh
Director
DIN : 03283751

Date : October 22,2020
Place : Mumbai

Date : October 22,2020
Place : USA

MINAL INDUSTRIES LIMITED

Notes to the Financial Statements as at and for the year ended 31st March, 2020

1. General information

Minal industries Limited (the 'Company') is a public limited company domiciled in India and incorporated under the Companies Act, 1956 having its registered office located at Plot No. 16(P)-17, 28 & 29(P), M.I.D.C., SEEPZ, Andheri (East) Mumbai - 400 096. The Company is listed on the Bombay Stock Exchange (BSE). The Company is engaged in manufacturing and export of Diamond studded Gold & Silver Jewellery.

1.1. New Accounting Pronouncement – Adoption of IND AS 116 “Leases “

The Company applied Ind AS 116-Leases first time. Ind AS 116 Leases was notified on March 30, 2019 by the Ministry of Corporate Affairs. It replaces Ind AS 17 Leases, including appendices thereto. Ind AS 116 is effective for annual periods beginning on or after April 1, 2019. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single on-balance sheet model similar to the accounting for finance leases under Ind AS 17. The standard includes two recognition exemptions for lessees – leases of 'low-value' assets and short-term leases (i.e. leases with a lease term of 12 months or less). At the commencement date of a lease, a lessee will recognise a liability to make lease payments (i.e., the lease liability) and an asset representing the right to use the underlying asset during the lease term (i.e., the right of use asset). Lessees will be required to separately recognise the interest expense on the lease liability and the depreciation expense on the right of use asset.

Lessees will be also required to remeasure the lease liability upon the occurrence of certain events (e.g., a change in the lease term, a change in future lease payments resulting from a change in an index or rate used to determine those payments). The lessee will generally recognise the amount of the remeasurement of the lease liability as an adjustment to the right of use asset.

The standard permits two possible methods of transition i.e. Full retrospective – Retrospectively to each prior period presented applying Ind AS 8 Accounting Policies, Changes in Accounting Estimates and Errors, and Modified retrospective – Retrospectively, with the cumulative effect of initially applying the Standard recognized at the date of initial application. The Company adopted Ind AS 116 using the modified retrospective approach on transition. Therefore, the comparative information was not restated and continues to be reported under Ind AS 17. There was no impact on transition on the opening balance sheet as at April 1, 2019.

The following is the summary of practical expedients elected on initial application:

1. Applied a single discount rate to a portfolio of leases of similar assets in similar economic environment with a similar end date.
2. Applied the exemption not to recognize ROU assets and liabilities for leases with less than 12 months of lease term.
3. Excluded the initial direct costs from the measurement of the ROU asset at the date of initial application.
4. Applied the practical expedient to grandfather the assessment of which transactions are leases. Accordingly, Ind AS 116 is applied only to contracts that were previously identified as leases under Ind AS 17.

1.2. SIGNIFICANT ACCOUNTING POLICIES AND KEY ACCOUNTING ESTIMATES AND JUDGEMENTS

(I) Statement of compliance

Standalone Financial Statements have been prepared in accordance with the accounting principles generally accepted in India including Indian Accounting Standards (Ind AS) prescribed under the section 133 of the Companies Act, 2013 read with rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 as amended. The aforesaid financial statements have been approved by the Board of Directors in the meeting held on 22nd October, 2020.

Accordingly, the Company has prepared these Standalone Financial Statements which comprise the Balance Sheet as at 31 March, 2020, the Statement of Profit and Loss, the Statement of Cash Flows and the Statement of Changes in Equity for the year ended as on that date, and accounting policies and other explanatory information (together hereinafter referred to as "Standalone Financial Statements" or "financial statements").

(II) Basis of preparation of financial statements

The Standalone Financial Statements have been prepared on the historical cost basis except for certain financial instruments measured at fair values at the end of each reporting year, as explained in the accounting policies below.

MINAL INDUSTRIES LIMITED

Notes to the Financial Statements as at and for the year ended 31st March, 2020

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.

Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of Ind AS 102, leasing transactions that are within the scope of Ind AS 17, and measurements that have some similarities to fair value but are not fair value, such as net realizable value in Ind AS 2 or value in use in Ind AS 36.

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.

The Financial Statement is presented in INR.

Current and non-current classification

The Company presents assets and liabilities in the balance sheet based on current / non-current classification.

An asset is classified as current when it satisfies any of the following criteria:

- it is expected to be realized in, or is intended for sale or consumption in, the Company's normal operating cycle. it is held primarily for the purpose of being traded;
- it is expected to be realized within 12 months after the reporting date; or
- it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

All other assets are classified as non-current.

A liability is classified as current when it satisfies any of the following criteria:

- it is expected to be settled in the Company's normal operating cycle;
- it is held primarily for the purpose of being traded;
- it is due to be settled within 12 months after the reporting date; or the Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

All other liabilities are classified as non-current.

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

(III) Revenue Recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being received. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment which flows to the company on its own account but excluding taxes or duties collected on behalf of the government.

MINAL INDUSTRIES LIMITED

Notes to the Financial Statements as at and for the year ended 31st March, 2020

Revenue from sale of goods is recognised when the significant risks and rewards of ownership have been transferred to the buyer, recovery of the consideration is probable, the associated cost can be estimated reliably, there is no continuing effective control or managerial involvement with the goods, and the amount of revenue can be measured reliably.

Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates.

a. Other Income

Other income is comprised primarily of interest income. Interest income from financial assets is recognized when it is probable that the economic benefit will flow to the company and the amount of income can be measured reliably. Interest income is accrued on time basis by reference to the principal outstanding and at the effective 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.

b. Foreign Currency Transactions

The functional currency of the Company is determined on the basis of the primary economic environment in which it operates. The functional currency of the Company is Indian National Rupee (INR).

The transactions in currencies other than the entity's functional currency (foreign currencies) are recognised 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:

- i. 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;
- ii. exchange differences on transactions entered into in order to hedge certain foreign currency risks
- iii. exchange difference arising on settlement / restatement of long-term foreign currency monetary items recognized in the financial statements upto March 31, 2016 prepared under previous GAAP, are capitalized as a part of the depreciable Property, Plant and equipment to which the monetary item relates and depreciated over the remaining useful life of such assets. If such monetary items do not relate to acquisition of depreciable Property, Plant and equipment, the exchange difference is amortised over the maturity period / upto the date of settlement of such monetary item, whichever is earlier and charged to the Statement of Profit and Loss.

(IV) Borrowing Costs

Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs directly attributable to the acquisition, construction or production of qualifying asset are capitalised during the period of time that is necessary to complete and prepare the asset for its intended use or sale. Other borrowing costs are expensed in the period in which they are incurred and reported in finance costs.

(V) Employee Benefits

The Company has following post-employment plans:

a) Defined benefit plans - gratuity

MINAL INDUSTRIES LIMITED

Notes to the Financial Statements as at and for the year ended 31st March, 2020

i) The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plan is the present value of defined benefit obligations at the end of the reporting period. The defined benefit obligation is calculated annually by actuaries through actuarial valuation using the projected unit credit method.

ii) The Company recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailment and non-routine settlements
- Net interest expense or income

iii) The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and fair value of plan assets. This cost is included in employee benefit expenses in the statement of the profit & loss.

iv) Re-measurement comprising of actuarial gains and losses arising from

- Re-measurement of Actuarial(gains)/losses
- Return on plan assets, excluding amount recognized in effect of asset ceiling
- Re-measurement arising because of change in effect of asset ceiling are recognised in the period in which they occur directly in other comprehensive income. Re-measurements are not reclassified to Statement of Profit and Loss in subsequent periods.

v) Ind AS 19 requires the exercise of judgment in relation to various assumptions including future pay rises, inflation and discount rates and employee and pensioner demographics. The Company determines the assumptions in conjunction with its actuaries, and believes these assumptions to be in line with best practice, but the application of different assumptions could have a significant effect on the amounts reflected in the income statement, other comprehensive income and balance sheet. There may be also interdependency between some of the assumptions.

b) Short-term and other long-term employee benefits

i) A liability is recognised 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.

ii) Liabilities recognised 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.

iii) Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by employees up to the reporting date.

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised as a liability at the present value of the obligation as at the Balance sheet date determined based on an actuarial valuation.

(VI) Taxes

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

Current income tax

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

MINAL INDUSTRIES LIMITED

Notes to the Financial Statements as at and for the year ended 31st March, 2020

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit.

Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised 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.

The carrying amount of deferred tax assets is reviewed at the end of each reporting year 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 year 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 year.

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.

Minimum Alternate Tax

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 a deferred tax asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is probable that future economic benefit associated with it will flow to the Company.

Current and deferred tax for the year

Current and deferred tax are recognised in profit or loss, except when they are relating to items that are recognised 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.

Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the relevant entity intends to settle its current tax assets and liabilities on a net basis

(VII) Property, Plant and Equipment

Property, plant and equipment are measured at acquisition cost less accumulated depreciation and accumulated impairment losses. Costs directly attributable to acquisition are capitalized until the property, plant and equipment are ready for use, as intended by Management. The Company depreciates property, plant and equipment over their estimated useful lives using the straight-line method as prescribed under Part C of schedule II of the Companies Act, 2013

Depreciation methods, useful lives and residual values are reviewed periodically, including at each financial year end. Leasehold land is amortized over the period of lease. The cost of an item of property, plant and equipment comprises of its purchase price including import duties and other non-refundable purchase taxes or levies, directly attributable cost of bringing the asset to its working condition for its intended use and the initial estimate of decommissioning, restoration and similar liabilities, if any. Any trade discounts and rebates are deducted in arriving at the purchase price.

Asset Category	Estimated Useful Life (In Years)
Factory Building	30
Building other than factory	60
Furniture and Fixture	3
Electric Fittings	3

The management believes that the estimated useful lives are realistic and reflects fair approximation of the period over which the assets are likely to be used. At each financial year end, management reviews the residual values, useful lives and method of depreciation of property, plant and equipment and values of the same are adjusted prospectively where needed.

The carrying amount of an item of property, plant and equipment is derecognized on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the de-recognition of an item of property, plant

MINAL INDUSTRIES LIMITED

Notes to the Financial Statements as at and for the year ended 31st March, 2020

and equipment is measured as the difference between the net disposal proceeds and the carrying amount of the item and is recognized in the Statement of Profit and Loss when the item is derecognized.

The company has policy to expense out the assets which is acquired during the year and value of such assets is below ₹ 5000.

(VIII) Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost. Cost comprises the acquisition price, development cost and any attributable / allocable incidental cost of bringing the asset to its working condition for its intended use. The useful life of intangible assets is assessed as either finite or indefinite. All finite-lived intangible assets, are accounted for using the cost model whereby intangible assets are stated at cost less accumulated amortisation and impairment losses, if any. Intangible assets are amortised over the estimated useful economic life. Residual values and useful lives are reviewed at each reporting date.

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

When an intangible asset is disposed of, the gain or loss on disposal is determined as the difference between the proceeds and the carrying amount of the asset, and is recognised in the statement of profit and loss within 'other income' or 'other expenses' respectively.

(IX) Impairment of Property, plant and equipment and intangible assets other than goodwill

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.

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 recognised immediately in the Statement of Profit and Loss.

Any reversal of the previously recognised impairment loss is limited to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined if no impairment loss had previously been recognised.

(X) Inventories

Inventories are valued after providing for obsolescence as follows:

- i) Raw material, stores & spares, packing material are valued at lower of cost and net realisable value. However, these items are considered to be realisable at cost, if the finished products, in which they will be used, are expected to be sold at or above cost.
- ii) Work-in-progress and Finished Goods are valued at lower of cost and net realisable value. Cost of finished goods and work-In –progress include cost of direct material and labour and a proportion of manufacturing overheads based on the normal operating capacity but excluding borrowing cost.
- iii) Waste/Scrap inventory is valued at net realisable value.

MINAL INDUSTRIES LIMITED

Notes to the Financial Statements as at and for the year ended 31st March, 2020

- iv) Obsolete, defective and unserviceable stock is duly provided for wherever applicable.
- v) Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition
- vi) Costs of inventories are determined on weighted average basis. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

(XI) Investment in subsidiaries and associates

Investment in subsidiaries & associates are shown at cost. Where the carrying amount of an investment is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount and the difference is transferred to the Statement of Profit and Loss. On disposal of investment, the difference between the net disposal proceeds and the carrying amount is charged or credited to the Statement of Profit and Loss.

(XII) Fair Value Measurement

The Company measures financial instruments at fair value in accordance with accounting policies at each reporting date. 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. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company.

The fair value of asset or a liability is measured using the assumptions that market participants would use in pricing the asset or liability, assuming that market participant act in their economic best interest.

A fair value measurement of a non-financing asset takes into account a market participant's ability to generate economic benefit by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

a) Financial Instruments

Financial assets

Initial recognition and measurement

Financial assets are recognised when the Company becomes a party to the contractual provisions of the instrument.

Subsequent measurement

On initial recognition, a financial asset is recognised at fair value, in case of Financial assets which are recognised at fair value through profit and loss (FVTPL), its transaction cost are recognised in the statement of profit and loss. In other cases, the transaction cost are attributed to the acquisition value of the financial asset.

MINAL INDUSTRIES LIMITED

Notes to the Financial Statements as at and for the year ended 31st March, 2020

Financial assets are subsequently classified as measured at:

- amortised cost.
- fair value through profit and loss (FVTPL).
- fair value through other comprehensive income (FVOCI).

Financial assets are not reclassified subsequent to their recognition, except if and in the period the Company changes its business model for managing financial assets.

Trade Receivables and Loans

Trade receivables are initially recognised at fair value. Subsequently, these assets are held at amortised cost, using the effective interest rate (EIR) method net of any expected credit losses. The EIR is the rate that discounts estimated future cash income through the expected life of financial instrument.

Financial liabilities

Initial recognition and measurement

All financial liabilities are recognised initially at fair value and transaction cost that is attributable to the acquisition of the financial liabilities is also adjusted. These liabilities are classified as amortised cost.

Subsequent measurement

Subsequent to initial recognition, these liabilities are measured at amortised cost using the effective interest method. These liabilities include borrowings.

De-recognition of financial liabilities

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de- recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

b) 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 for financial assets.

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 Company expects to receive. When estimating the cash flows, the Company is required to consider –

- All contractual terms of the financial assets (including prepayment and extension) over the expected life of the assets.
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

(XIII) Trade receivables

The Company applies approach permitted by Ind AS 109, financial instruments, which requires expected lifetime losses to be recognised from initial recognition of receivables.

Other financial assets

For recognition of impairment loss on other financial assets and risk exposure, the Company determines whether there has been a significant increase in the credit risk since initial recognition and if credit risk has increased significantly, impairment loss is provided.

(XIV) Cash and Cash Equivalents

Cash and cash equivalent in the Balance Sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to insignificant risk of changes in value.

For the purpose of the Statement of cash flows, cash and cash equivalent consists of cash and short term deposits, as defined above.

(XV) Leases

MINAL INDUSTRIES LIMITED

Notes to the Financial Statements as at and for the year ended 31st March, 2020

i) The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116 - Leases. Identification of a lease requires significant judgment. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

ii) The Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option. In assessing whether the Company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Company to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Company revises the lease term if there is a change in the non-cancellable period of a lease. The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

Company as a lessee

The Company recognises right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment.

Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the statement of profit and loss.

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate.

For leases with reasonably similar characteristics, the Company, on a lease by lease basis, may adopt either the incremental borrowing rate specific to the lease or the incremental borrowing rate for the portfolio as a whole. The lease payments shall include fixed payments, variable lease payments, residual value guarantees, exercise price of a purchase option where the Company is reasonably certain to exercise that option and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments.

The company recognises the amount of the re-measurement of lease liability due to modification as an adjustment to the right-of-use asset and statement of profit and loss depending upon the nature of modification. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognises any remaining amount of the re-measurement in statement of profit and loss.

The Company has elected not to apply the requirements of Ind AS 116 Leases to short-term leases of all assets that have a lease term of 12 months or less and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognized as an expense on a straight-line basis over the lease term.

(XVI) Provisions, Contingent liabilities, Contingent assets and Commitments

MINAL INDUSTRIES LIMITED

Notes to the Financial Statements as at and for the year ended 31st March, 2020

Provisions are recognised 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.

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows to net present value using an appropriate pre-tax discount rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. Unwinding of the discount is recognised in the Statement of Profit and Loss as a finance cost. Provisions are reviewed at each reporting date and are adjusted to reflect the current best estimate.

A present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a liable estimate of the amount cannot be made, is disclosed as a contingent liability. Contingent liabilities are also disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. Claims against the Company where the possibility of any outflow of resources in settlement is remote, are not disclosed as contingent liabilities.

Contingent assets are not recognised in financial statements since this may result in the recognition of income that may never be realised. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and is recognised. However, major contingent assets (if any) are disclosed in the notes to financial statements

Onerous contracts

Present obligations arising under onerous contracts are recognised and measured as provisions. An onerous contract is considered to exist where the Company has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received from the contract.

(XVII) Earnings per Equity Share

Basic EPS is computed by dividing the net profit or loss after tax for the year attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year.

Diluted EPS is computed by dividing the net profit or loss for the year by the weighted average number of equity shares outstanding during the year as adjusted for the effects of all dilutive potential equity shares, except where the results are anti-dilutive

1.3 Key accounting estimates and Judgments

The preparation of the Company's standalone financial statements requires the management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the year in which the estimate is revised if the revision affects only that year, or in the year of the revision and future year, if the revision affects current and future year.

Critical accounting estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below:

i) Useful lives of property, plant and equipment

Management reviews the useful lives of property, plant and equipment at least once a year. Such lives are dependent upon an assessment of both the technical lives of the assets and also their likely economic lives based on various internal and

MINAL INDUSTRIES LIMITED

Notes to the Financial Statements as at and for the year ended 31st March, 2020

external factors including relative efficiency and operating costs. Accordingly, depreciable lives are reviewed annually using the best information available to the Management.

ii) Impairment of investments in subsidiaries

Determining whether the investments in subsidiaries are impaired requires an estimate in the value in use of investments. In considering the value in use, the Directors have anticipated the future commodity prices, capacity utilisation of plants, operating margins, mineable resources and discount rates and other factors of the underlying businesses / operations of the investee companies as more fully described. Any subsequent changes to the cash flows due to changes in the above mentioned factors could impact the carrying value of investments.

iii) Defined benefit plans

The cost of the defined benefit plan and other post-employment benefits and the present value of such obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and attrition rate. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

iv) Fair value measurement of financial instruments

When the fair values of financial assets or financial liabilities recorded or disclosed in the financial statements cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgements include consideration of inputs such as liquidity risk, credit risk and volatility

V) Contingencies

In the normal course of business, contingent liabilities may arise from litigation and other claims against the Company. Potential liabilities that are possible but not probable of crystallising or are very difficult to quantify reliably are treated as contingent liabilities. Such liabilities are disclosed in the notes but are not recognized.

1.4 Recent accounting pronouncement

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from April 1, 2020.

MINAL INDUSTRIES LIMITED
Consolidated Balance Sheet as at 31st March, 2020
CIN: L32201MH1988PLC216905

(Amount in ₹)

Particulars	Note No.	As at 31st March, 2020	As at 31st March, 2019
ASSETS			
Non-current assets			
Property, plant and equipment	2A	4,05,75,388	4,40,70,496
Right of use assets	2B	1,64,34,010	-
Other intangible assets	3	5,30,000	6,30,000
Financial assets			
- Investment	4	500	500
- Loans	5	25,95,441	8,29,062
Other non-current assets	6	14,42,300	17,03,103
Total Non-current assets		6,15,77,639	4,72,33,161
Current assets			
Inventories	7	64,47,90,786	65,48,19,821
Financial assets			
- Trade receivables	8	13,65,90,379	25,38,67,412
- Cash and cash equivalents	9	43,80,202	5,51,65,364
- Bank balances other than cash and cash equivalents	10	1,45,84,481	1,84,481
- Loans	11	1,36,84,613	1,23,81,132
- Other financial assets	12	11,38,186	7,52,484
Other current assets	13	1,31,32,543	1,23,85,669
Total Current assets		82,83,01,190	98,95,56,363
TOTAL ASSETS		88,98,78,829	1,03,67,89,524
EQUITY AND LIABILITIES			
Equity			
Equity share capital	14	38,38,01,300	38,38,01,300
Other equity	15	16,83,81,666	21,71,27,982
Equity attributable to Owners of the Company		55,21,82,966	60,09,29,282
Non-controlling interests	15	9,61,87,679	11,93,95,809
Total Equity		64,83,70,645	72,03,25,090
Liabilities			
Non-current liabilities			
Financial liabilities			
- Other financial liabilities	16	1,37,25,328	-
Provisions	17	38,18,592	17,36,652
Deferred tax liabilities (net)	18	12,98,265	9,29,450
Total Non-current liabilities		1,88,42,185	26,66,102
Current liabilities			
Financial liabilities			
- Borrowings	19	19,00,86,996	20,75,54,137
- Trade payables	20		
Due to Micro, Small and Medium Enterprises		1,37,458	6,750
Due to others		1,42,42,956	8,99,00,767
- Other financial liabilities	21	1,73,54,307	1,41,74,550
Other current liabilities	22	3,50,339	15,17,808
Provisions	23	4,12,850	3,86,418
Current tax liabilities (net)	24	81,093	2,57,902
Total Current liabilities		22,26,65,999	31,37,98,332
TOTAL EQUITY AND LIABILITIES		88,98,78,829	1,03,67,89,524
Significant Accounting Policies and Key Accounting Estimates and Judgements	1		

The accompanying notes form an integral part of financial statements

As per our attached report of even date

For and on behalf of the Board of Directors

For H P V S & Associates
Chartered Accountants
Firm's Registration No: 137533W

Shrikant Parikh
Director
DIN : 00112642

Sona Parikh
Director
DIN : 03283751

Hitesh R. Khandania
Partner
M.No. 158148
UDIN :20158148AAAABW3330

Date : October 22,2020
Place : Mumbai

Date : October 22,2020
Place : USA

MINAL INDUSTRIES LIMITED
Consolidated Statement of Profit and Loss for the year ended 31st March, 2020

(Amount in ₹)

Particulars	Note no.	For the year ended 31st March, 2020	For the year ended 31st March, 2019
INCOME			
Revenue from operations	25	38,48,77,920	40,59,36,777
Other income	26	1,35,20,558	1,42,96,223
Total income (1)		39,83,98,478	42,02,33,000
EXPENSES			
Cost of material consumed	27	25,29,97,746	33,36,34,334
Purchase of stock in trade	28	72,58,082	-
Changes in Inventory of finished goods	29	7,87,32,727	(4,07,32,819)
Employee benefits expense	30	1,92,09,194	1,59,96,614
Finance costs	31	45,59,210	50,99,154
Depreciation and amortisation expense	32	78,13,316	(85,98,871)
Discount to export customers	50	2,34,18,295	33,81,825
Other expenses	33	9,79,41,760	10,48,22,995
Total Expenses (2)		49,19,30,330	41,36,03,232
Profit/(loss) before exceptional items and tax (1-2)		(9,35,31,852)	66,29,768
Exceptional items	34	1,89,73,422	-
Profit/(loss) Before Tax		(7,45,58,430)	66,29,768
Tax expense			
Current tax	35	-	18,14,700
Deferred tax	35	(4,04,113)	33,38,264
MAT Credit		-	(18,14,700)
Profit/(loss) for the year (3)		(7,41,54,317)	32,91,504
Other comprehensive income			
(i) Items that will not be reclassified to profit or loss			
Remeasurement of Employee benefits expenses		-	-
Income tax relating to items that will not be reclassified to profit or loss		-	-
Total (i)		-	-
(ii) Items that will be reclassified to profit or loss	15		
Changes in Foreign currency monetary item translation difference account (FCMITDA)		29,72,799	(6,50,653)
Income tax relating to items that will be reclassified to profit or loss		(7,72,928)	-
Total (ii)		21,99,871	(6,50,653)
Total Other comprehensive income/(loss) for the year (4) (i+ii)		21,99,871	(6,50,653)
Total comprehensive income for the year (3+4)		(7,19,54,446)	26,40,851
Profit for the year attributable to:			
-Owners of the company		(5,09,46,187)	6,73,308
-Non-controlling interest		(2,32,08,130)	26,67,225
Other comprehensive income for the year attributable to:			
-Owners of the company		21,99,871	(6,50,653)
-Non-controlling interest		-	-
Total comprehensive income for the year attributable to:			
-Owners of the company		(4,87,46,315)	22,655
-Non-controlling interest		(2,32,08,130)	26,67,225
Earnings per equity share (₹)			
(Face value of equity share of ₹ 2 each)			
Basic (₹)	36	(0.39)	0.02
Diluted (₹)	36	(0.39)	0.02
Significant Accounting Policies and Key Accounting Estimates and Judgements	1		

The accompanying notes form an integral part of the financial statements

As per our attached report of even date

For and on behalf of the Board of Directors

For H P V S & Associates
Chartered Accountants
Firm's Registration No: 137533W

Shrikant Parikh Sona Parikh
Director Director
DIN : 00112642 DIN : 03283751

Hitesh R. Khandania
Partner
M.No. 158148

Date : October 22,2020
Place : Mumbai

Date : October 22,2020
Place : USA

MINAL INDUSTRIES LIMITED

Statement of Consolidated Cash Flows for the year ended 31st March, 2020

(Amount in ₹)

Particulars	For the Year Ended 31st March, 2020	For the Year Ended 31st March, 2019
[A] CASH FLOW FROM OPERATING ACTIVITIES		
Profit Before Tax	(7,45,58,430)	66,29,769
Adjustments for:		
Depreciation	78,13,316	(85,98,871)
Interest Income	(23,21,071)	(20,64,187)
Finance cost	45,59,210	10,82,504
Realized and Unrealized Foreign Exchange Gain	(79,95,015)	(1,06,47,737)
Provision for Gratuity	21,08,372	(9,16,445)
Expenditure on Sale of Property, Plant and Equipment	5,20,517	-
Sundry Creditor Written Back	(22,37,694)	(3,00,023)
Discount received	(60,115)	(76,833)
Discount allowed to export customers	2,34,18,295	-
MVAT Written off/(availed)	6,75,792	(18,14,700)
Gain on sale of Plant, property and equipment	(1,98,80,085)	-
Operating profit before Working Capital Changes	(6,79,56,908)	(1,67,06,523)
Adjustments for:		
(Increase) / Decrease in loans	9,99,523	84,98,511
(Increase) / Decrease in Inventory	1,00,29,035	9,42,05,264
(Increase) / Decrease in Trade Receivable	10,20,53,089	(3,84,33,130)
(Increase) / Decrease in Non Current Financial Assets	(2,82,432)	5,05,953
(Increase) / Decrease in Other Non-Current Assets	(17,66,379)	-
(Increase) / Decrease in Other Current Financials Assets	19,35,368	4,67,463
(Increase) / Decrease in Other Current Assets	(14,22,666)	(20,59,748)
Increase/ (Decrease) in Trade payables	(7,57,51,353)	(2,64,75,292)
Increase/ (Decrease) in Other Financial Liability	3,33,235	41,144
Increase/ (Decrease) in Other Current Liability	(11,67,469)	4,26,940
Cash generated from operating activities	(3,29,96,955)	2,04,70,582
Direct taxes paid	(17,346)	(7,06,922)
Net cash generated from operating activities [A]	(3,30,14,301)	1,97,63,660
[B] CASH FLOW FROM INVESTING ACTIVITIES		
Sale / (Purchase) of investment	(1,44,00,000)	(25,04,068)
Sale of Property, Plant and Equipment	19137083	-
Purchase of Property, Plant and Equipment	(12,34,992)	-
Share in Loss of Partnership firm	-	(89,028)
Net Cash used or generated in investing activities [B]	35,02,091	(25,93,096)
[C] CASH FLOW FROM FINANCING ACTIVITIES		
Borrowing received	56,03,554	64,48,824
Repayment of Long Term Borrowing	(2,30,70,694)	-
Interest Expense	(38,05,812)	(10,82,504)
Net Cash used or generated in financing activities [C]	(2,12,72,952)	53,66,320
NET INCREASE / (DECREASE) IN CASH AND BANK BALANCES (A+B+C)	(5,07,85,162)	2,25,36,885
Cash and cash equivalents at beginning of the year	5,51,65,364	3,26,28,478
Cash and cash equivalents at end of the year (refer note 9)	43,80,202	5,51,65,364

Note :

(a) The cash Flow statement is prepared using the Indirect method set out in Ind AS 7 "Statement of Cash Flow".

(b) Changes in liabilities arising from financing activities

(Amount in ₹)

Particulars	As at 31st March, 2019	Cash flows	Adjustments	As at 31st March, 2020
Borrowings	20,75,54,137	(1,74,67,140)	-	19,00,86,997
Total liabilities from financing activities	20,75,54,137	(1,74,67,140)	-	19,00,86,997

Particulars	As at 31st March, 2018	Cash flows	Adjustments	As at 31st March, 2019
Borrowings	20,11,05,312	64,48,824	-	20,75,54,136
Total liabilities from financing activities	20,11,05,312	64,48,824	-	20,75,54,136

As Per Our Report of Even Date

For HPVS & Associates

Chartered Accountants
Firm Registration No. 137533W

Hitesh R. Khandhadia

Partner

Membership No.: 158148

For and on behalf of the Board of Directors

Shrikant Parikh Sona Parikh
Director Director
DIN : 00112642 DIN : 03283751

Date : October 22,2020
Place : Mumbai

Date : October 22,2020
Place : USA

MINAL INDUSTRIES LIMITED
Consolidated Statement of Changes in Equity For The Year Ended 31st March, 2020

(A) EQUITY SHARE CAPITAL :

(Amount in ₹)

Particulars	No. of Share	Amount
Issued, subscribed and fully paid up Equity shares of ₹ 10 each		
Balance as at 31 March 2018	19,19,00,650	38,38,01,300
Changes in equity share capital during the year	-	-
Balance as at 31 March 2019	19,19,00,650	38,38,01,300
Changes in equity share capital during the year	-	-
Balance as at 31 March 2020	19,19,00,650	38,38,01,300

B) OTHER EQUITY

(Amount in ₹)

Particulars	Retained Earnings	Securities Premium Reserve	Revaluation Reserve	General Reserve	Capital Reserve	FCMITDA	Investment Allowance Reserve	Total equity attributable to equity holders of the Company	Non-controlling interests	Total
Balance as at 01st April, 2019	(9,30,85,006)	11,67,29,360	1,61,883	8,33,92,370	80,33,231	10,16,18,334	2,77,810	21,71,27,982	11,93,95,809	33,65,23,790
Loss for the year	(5,09,46,187)	-	-	-	-	-	-	(5,09,46,187)	(2,32,08,130)	(7,41,54,317)
Current year transfer	-	-	-	-	-	-	-	-	-	-
Additions / Transfer during the year	-	-	-	-	-	21,99,871	-	21,99,871	-	21,99,871
Balance as at 31st March, 2020	(14,40,31,193)	11,67,29,360	1,61,883	8,33,92,370	80,33,231	10,38,18,205	2,77,810	16,83,81,666	9,61,87,679	26,45,69,345

(Amount in ₹)

Particulars	Retained Earnings	Securities Premium Reserve	Revaluation Reserve	General Reserve	Capital Reserve	FCMITDA	Investment Allowance Reserve	Total equity attributable to equity holders of the Company	Non-controlling interests	Total
Balance as at 01st April, 2018	(9,37,97,914)	11,67,29,360	1,61,883	8,33,92,370	80,33,231	10,22,68,987	2,77,810	21,70,65,727	11,67,28,184	33,37,93,910
Profit for the year	6,73,308	-	-	-	-	-	-	6,73,308	26,67,225	33,40,533
Current year transfer	-	-	-	-	-	-	-	-	-	-
Additions / Transfer during the year	39,600	-	-	-	-	(6,50,653)	-	(6,11,053)	400	(6,10,653)
Remeasurements gains / (loss) on defined benefit plans	-	-	-	-	-	-	-	-	-	-
Balance as at 31st March, 2019	(9,30,85,006)	11,67,29,360	1,61,883	8,33,92,370	80,33,231	10,16,18,334	2,77,810	21,71,27,982	11,93,95,809	33,65,23,790

As per our attached report of even date

For and on behalf of the Board of Directors

For H P V S & Associates

Chartered Accountants

Firm's Registration No: 137533W

Shrikant Parikh
Director
DIN : 00112642

Sona Parikh
Director
DIN : 03283751

Hitesh R Khandania

Partner

M.No. 158148

UDIN :20158148AAAABW3330

Date : October 22,2020

Place : Mumbai

Date : October 22,2020

Place : USA

MINAL INDUSTRIES LIMITED

Notes to Consolidated Financial Statements for the year ended 31st March, 2020

NOTE 2A: PROPERTY, PLANT AND EQUIPMENT

(Amount in ₹)

Particulars	Leasehold Land	Factory Building*	Building Other Than Factory Building	Plant & Machinery	Computers & Printers	Office Equipment	Furniture And Fixtures	Electrical Fitting	Vehicles	Total Tangible Assets
Cost or deemed cost										
Balance as at March 31, 2018	20,43,235	5,48,23,932	1,08,12,700	6,38,39,685	1,10,20,235	90,86,623	1,53,54,803	48,17,639	44,84,698	17,62,83,550
Additions	-	-	-	12,87,544	9,20,150	-	2,17,524	78,850	-	25,04,068
Disposals	-	-	-	-	-	-	-	-	-	-
Other adjustment	(20,43,235)	-	-	-	-	-	-	-	-	(20,43,235)
Balance as at March 31, 2019	-	5,48,23,932	1,08,12,700	6,51,27,229	1,19,40,385	90,86,623	1,55,72,327	48,96,489	44,84,698	17,67,44,383
Additions	-	-	-	14,97,587	1,27,000	94,400	2,17,673	40,410	-	19,77,070
Disposals	-	(9,21,244)	-	(41,30,130)	-	(18,000)	(1,03,970)	-	-	(51,73,344)
Balance as at March 31, 2020	-	5,39,02,688	1,08,12,700	6,24,94,686	1,20,67,385	91,63,023	1,56,86,030	49,36,899	44,84,698	17,35,48,109
Accumulated depreciation										
Balance as at March 31, 2018	5,71,069	4,26,02,192	20,67,819	5,68,30,514	1,02,30,247	85,24,649	1,29,92,062	37,80,611	40,63,579	14,16,62,742
Depreciation	-	(1,42,20,061)	24,11,215	21,89,171	7,08,883	4,18,235	(1,03,936)	1,10,510	68,198	(84,17,786)
Other adjustment	14,72,166	-	-	-	-	-	-	-	-	14,72,166
Eliminated on disposal/adjustment of assets	-	-	-	-	-	-	-	-	-	-
Other adjustment	(20,43,235)	-	-	-	-	-	-	-	-	(20,43,235)
Balance as at March 31, 2019	-	2,83,82,131	44,79,034	5,90,19,685	1,09,39,130	89,42,884	1,28,88,126	38,91,121	41,31,777	13,26,73,887
Depreciation	-	18,04,444	3,60,510	12,84,778	4,41,799	1,38,369	6,14,540	2,24,718	1,19,674	49,88,832
Other adjustment	-	-	-	-	-	-	-	-	-	-
Eliminated on disposal/adjustment of assets	-	(4,37,898)	-	(41,30,130)	-	(18,000)	(1,03,970)	-	-	(46,89,998)
Balance as at March 31, 2020	-	2,97,48,677	48,39,544	5,61,74,333	1,13,80,929	90,63,253	1,33,98,696	41,15,839	42,51,451	13,29,72,721
Carrying amount as at March 31, 2020	-	2,41,54,011	59,73,156	63,20,353	6,86,456	99,770	22,87,334	8,21,060	2,33,247	4,05,75,388
Carrying amount as at March 31, 2019	-	2,64,41,801	63,33,666	61,07,544	10,01,255	1,43,739	26,84,201	10,05,368	3,52,921	4,40,70,496
Carrying amount as at March 31, 2018	14,72,166	1,22,21,740	87,44,881	70,09,171	7,89,988	5,61,974	23,62,741	10,37,028	4,21,119	3,46,20,808
Life of Assets	NA	30	60	15	3	5	3	3	8	
Method of Depreciation	NA	SLM	SLM	SLM	SLM	SLM	SLM	SLM	SLM	

* Includes factory building constructed on leasehold land having carrying value of ₹ 2,41,54,011 as on 31.03.2020.

2B. RIGHT-OF-USE ASSETS

(Amount in ₹)

Particulars	Leasehold land & premises	Buildings	Total
As at 1st April, 2019	-	-	-
Recognition on Initial application of Ind AS 116 as at April 01, 2019	1,23,90,838	-	1,23,90,838
Addition during the year	-	67,67,656	67,67,656
Disposals/transfers	-	-	-
As at 31st March, 2020	1,23,90,838	67,67,656	1,91,58,494
Accumulated Depreciation			
As at 1st April, 2019	-	-	-
Depreciation charge for the year	10,32,570	16,91,914	27,24,484
Disposals/transfers	-	-	-
As at 31st March, 2020	10,32,570	16,91,914	27,24,484
As at 31st March, 2020	1,13,58,269	50,75,742	1,64,34,010

(i) Ind AS 116 - Leases, has become applicable effective annual reporting period beginning April 1, 2019. The Company has adopted the standard beginning April 1, 2019, using the modified retrospective approach for transitioning to Ind AS 116 with right-of-use asset recognized at an amount equal to the lease liability adjusted for any prepayments/accruals recognized in the balance sheet immediately before the date of initial application. Accordingly, the Company has not restated the comparative information. This has resulted in recognizing a "Right of use asset" of ₹ 1,23,90,838 and a corresponding "Lease liability" of ₹ 1,23,90,838 as at April 1, 2019. Lease liability amounting to Rs. NIL lakhs recognised as finance lease asset and obligation respectively under erstwhile lease standard as at 31 March 2019.

(ii) Followings are the amounts recognised in statement of profit or loss:

(Amount in ₹)

Particulars	Amount
Depreciation expense of right-of-use assets	27,24,484
Interest expense on lease liabilities	7,50,905
Total amounts recognised in profit or loss	34,75,389

MINAL INDUSTRIES LIMITED

Notes to Consolidated Financial Statements for the year ended 31st March, 2020

NOTE 3: OTHER INTANGIBLE ASSETS

(Amount in ₹)

Particulars	Computer Software
Cost or deemed cost	
Balance as at March 31,2018	10,00,000
Additions	-
Disposals	-
Balance as at March 31,2019	10,00,000
Additions	-
Disposals	-
Balance as at March 31,2020	10,00,000
Accumulated depreciation	
Balance as at March 31,2018	5,51,085
Depreciation /(Reversal of Depreciation)	(1,81,085)
Eliminated on disposal/adjustment of assets	-
Balance as at March 31,2019	3,70,000
Depreciation /(Reversal of Depreciation)	1,00,000
Eliminated on disposal/adjustment of assets	-
Balance as at March 31,2020	4,70,000
Carrying amount as at March 31,2020	5,30,000
Carrying amount as at March 31,2019	6,30,000
Carrying amount as at March 31,2018	4,48,915
Life of Assets	10
Method of Depreciation	SLM

MINAL INDUSTRIES LIMITED

Notes to Consolidated Financial Statements for the year ended 31st March, 2020

NOTE 4:-NON -CURRENTS FINANCIAL ASSETS -INVESTMENTS

(Amount in ₹)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Other Investment		
Sterling Centre Premises Owners Co-op Society Ltd. 1 (Previous Year 1) Share of 500 each.	500	500
	500	500
Aggregate amount of carrying amount of unquoted investments	500	500
Aggregate amount of impairment value of unquoted investments	-	-

NOTE 5:-NON -CURRENTS FINANCIAL ASSETS -LOANS

(Amount in ₹)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Security Deposits considered good - Unsecured		
- Security Deposit	25,95,441	8,29,062
	25,95,441	8,29,062

NOTE 6:- NON-CURRENT ASSETS-OTHERS

(Amount in ₹)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Leasehold Land	9,28,931	14,72,166
Other Advances		
- Deposit with Government Authorities	5,13,369	2,30,937
	14,42,300	17,03,103

NOTE 7:- INVENTORIES

(Amount in ₹)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Inventories (At lower of cost or net realisable value)		
- Stores and spares	53,40,82,131	42,66,449
- Raw Material	35,62,295	46,46,74,285
- Finished Goods	10,71,46,360	18,58,79,087
	64,47,90,786	65,48,19,821

Cost of inventory recognised as an expenses for the year ended 31st March 2020 ₹ 25,29,97,746 (PY ₹ 33,36,34,334).

Written down of inventories to net realisable value amounted to ₹ 5,37,15,458 (PY ₹ Nil).These were recognised as an expense during the year.

NOTE 8:- TRADE RECEIVABLES

(Amount in ₹)

Particulars	As at 31st March, 2020	As at 31st March, 2019
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MINAL INDUSTRIES LIMITED

Notes to Consolidated Financial Statements for the year ended 31st March, 2020

Trade Receivables considered good - Secured	-	-
Trade Receivables considered good - Unsecured Including related party(refer note 41)	13,65,90,379	25,38,67,412
Trade Receivables which have significant increase in Credit Risk	-	-
Less: Allowance for doubtful debts	-	-
Trade Receivable - credit impaired	-	-
Less: Allowance for doubtful debts	-	-
	13,65,90,379	25,38,67,412

NOTE 8.1

No trade or other receivable are due from directors or other officers of the Company either severally or jointly with any other person; or any trade or other receivable are due from firm or private companies in which any director is a partner, a director or a member.

NOTE 8.2

Aging of receivables that are past due

(Amount in ₹)

Particulars	As at	As at
	31st March, 2020	31st March, 2019
Less than 90 Days	9,63,82,091	12,69,63,389
91-180 Days	-	1,64,905
181-365 Days	-	-
More than 365 Days	4,02,08,288	12,67,39,118
	13,65,90,379	25,38,67,412

MINAL INDUSTRIES LIMITED**Notes to Consolidated Financial Statements for the year ended 31st March, 2020****NOTE 9:- CASH AND CASH EQUIVALENTS**

(Amount in ₹)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Balances with banks:		
- In current accounts	32,60,702	43,59,525
- In term deposits with maturity less than 3 months at inception	-	4,96,17,011
Cash on hand	11,19,500	11,88,828
	43,80,202	5,51,65,364

NOTE 10:- BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

(Amount in ₹)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Other Bank Balance*	1,84,481	1,84,481
In Term Deposits with maturity more than 3 Months but less than 12 month at inception	1,44,00,000	-
	1,45,84,481	1,84,481

* Above bank balance is earmarked against Unclaimed dividend outstanding for more than seven years as on 31.03.2020.

NOTE 11:- CURRENT FINANCIAL ASSETS - LOANS

(Amount in ₹)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Unsecured, Considered good		
- Loans to related parties (Refer note 41)*	24,73,887	24,73,888
- Loans to Others	81,95,269	89,11,284
- Advances to employees	2,15,457	4,35,960
- Margin money	28,00,000	5,60,000
	1,36,84,613	1,23,81,132
Sub-classification of Loans		
(a) Secured, considered good		
(b) Unsecured, considered good	1,36,84,613	1,23,81,132
(c) Doubtful, Allowance for bad and doubtful loans shall be disclosed under the relevant heads separately.		

* Loans are given for business purpose.

Note 11.1

No trade or other receivable are due from directors or other officers of the Company either severally or jointly with any other person; or any trade or other receivable are due from firm or private companies in which any director is a partner, a director or a member.

NOTE 12:- CURRENT FINANCIAL ASSETS - OTHERS

(Amount in ₹)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Unsecured, Considered good		
Security deposits	4,72,484	7,52,484
Interest receivables	6,65,702	-
	11,38,186	7,52,484

NOTE 13:- OTHER CURRENT ASSETS

(Amount in ₹)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Unsecured, Considered good		
Prepayment	1,51,883	55,830
Balance with Government Authorities	41,84,684	50,22,567
Indirects Tax Balances	6,24,131	6,99,845
Advance to suppliers including related party (refer note 41)	72,69,845	66,07,427
Insurance claim receivables	9,02,000	-
	1,31,32,543	1,23,85,669

MINAL INDUSTRIES LIMITED

Notes to Consolidated Financial Statements for the year ended 31st March, 2020

NOTE 14:- EQUITY SHARE CAPITAL

(Amount in ₹)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Authorised: 31,50,00,000 Equity Shares of ₹ 2 each	63,00,00,000	63,00,00,000
Issued, Subscribed and paid-up: 19,19,00,650 Equity Shares of ₹ 2 each	38,38,01,300	38,38,01,300
	38,38,01,300	38,38,01,300

Notes:

(a) Reconciliation of the number of the shares outstanding at the beginning and at the end of the year:

Issued, Subscribed and paid up share capital	As at 31st March, 2020		As at 31st March, 2019	
	No. of Shares	(Amount in ₹)	No. of Shares	(Amount in ₹)
Balance at the beginning of the year	19,19,00,650	38,38,01,300	19,19,00,650	38,38,01,300
Movement during the year	-	-	-	-
Balance at the end of the year	19,19,00,650	38,38,01,300	19,19,00,650	38,38,01,300

(b) Rights, preferences and restrictions attached to shares

The Group has one class of equity shares having a par value of ₹ 2 per share. Each shareholder is eligible for one vote per share held. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Group after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the share holder.

(c) Details shareholders holding more than 5 % shares in the Company:

Name of Shareholder	As at 31st March, 2020		As at 31st March, 2019	
	No. of shares	Percentage Holding	No. of Shares	Percentage Holding
Jesinghbai Parikh	10,81,18,055	56.34	10,81,18,055	56.34
Aanishka Construction Pvt Ltd	98,29,085	5.12	98,29,085	5.12
Mahendra Chandulal Shah	2,10,00,000	10.94	2,10,00,000	10.94
Champak Kirtilal Mehta	2,10,00,000	10.94	2,10,00,000	10.94
Total	15,99,47,140	83.34	15,99,47,140	83.34

NOTE 15 : OTHER EQUITY

(Amount in ₹)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Retained Earnings		
Surplus/(Deficit) in the statement of profit and loss		
Balance at beginning of the year	(9,30,85,006)	(9,37,97,914)
Add: Profit/(loss) for the year	(5,09,46,187)	7,12,908
Balance at end of the year	(14,40,31,193)	(9,30,85,006)
Capital Reserve		
Balance at beginning of the year	80,33,231	80,33,231
Add: Transfer to (from) the reserve	-	-
Balance at end of the year	80,33,231	80,33,231
Security Premium		
Balance at beginning of the year	11,67,29,360	11,67,29,360
Add: Transfer to (from) the reserve	-	-
Balance at end of the year	11,67,29,360	11,67,29,360
Investment Allowance Reserve		
Balance at beginning of the year	2,77,810	2,77,810
Add: Transfer to (from) the reserve	-	-
Balance at end of the year	2,77,810	2,77,810
Revaluation Reserve		
Balance at beginning of the year	1,61,883	1,61,883
Add: Transfer to (from) the reserve	-	-
Balance at end of the year	1,61,883	1,61,883
Foreign Currency Monetary Item Translation Difference Account (FCMITDA)		
Balance at beginning of the year	10,16,18,334	10,22,68,987
Add: Current year translation adjustments	-	(6,50,653)
Add: Transfer to (from) the reserve	21,99,871	-
Balance at end of the year	10,38,18,205	10,16,18,334
General Reserve		
Balance at beginning of the year	8,33,92,370	8,33,92,370
Add: Transfer to (from) the reserve	-	-
Balance at end of the year	8,33,92,370	8,33,92,370
Total Equity Attributable to equity shareholder	16,83,81,666	21,71,27,982
Non Controlling Interest		
Balance at beginning of the year	11,93,95,809	11,67,28,184
Add: Current Year adjustments	(2,32,08,130)	400
Add: Other adjustments	-	26,67,225
Balance at end of the year	9,61,87,679	11,93,95,809
Total Other Equity	26,45,69,345	33,65,23,790

Nature and Description

1. Retained Earnings

Retained earnings are the profits that the Group has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders.

2. Security Premium

The amount received in excess of face value of the equity shares is recognised in Securities Premium. In case of equity-settled share based payment transactions, the difference between fair value on grant date and nominal value of share is accounted as securities premium.

3. Revaluation Reserve

It is created through the revaluation of assets as per the companies act 2013 and indian accounting standard notified by ministry of corporate affairs (MCA).

4. General reserve

The Group had transferred a portion of the net profit of the Group before declaring dividend to general reserve pursuant to the earlier provisions of Companies Act, 1956. Mandatory transfer to general reserve is not required under the Companies Act, 2013. During the year the Group has reclassified the amount standing to the credit

5. Foreign Currency Monetary Item Translation Difference Account (FCMITDA)

Exchange differences relating to the translation of the results and net assets of the Group's foreign operations from their functional currencies to the Group's presentation currency (i.e. Currency Units) are recognised directly in other comprehensive income and accumulated in the foreign currency translation reserve. Exchange differences previously accumulated in the foreign currency translation reserve are reclassified to profit or loss on the disposal of the foreign operation.

NOTE 16:- OTHER FINANCIAL LIABILITIES

(Amount in ₹)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Lease Liability	1,37,25,328	-
	1,37,25,328	-

(i) The Company has adopted the standard beginning April 1, 2019 which has resulted in recognizing a "Lease liability" of ₹ 1,23,90,838 as at April 1, 2019. During the year company

(ii) The operating lease commitments as of March 31, 2019 reconciled with lease liabilities as at April 01, 2019 as follows:

Particulars	Amount
Operating lease commitments as at April 01, 2019	1,84,50,600
Weighted average incremental borrowing rate as at April 01, 2019	7.65%
Discounted operating lease commitments at April 01, 2019	1,23,90,838
Add: Commitments relating to leases previously classified as finance leases	-
Lease liabilities as at April 01, 2019	1,23,90,838

(iii) Total Lease liabilities recognised as on April 1, 2019 includes ₹1,23,90,838 represents increase in total liabilities.

(iv) Future minimum lease rentals payable as at 31st March, 2020 as per the lease agreements:

(Amount in ₹)

Particulars	Amount	Present Vaue
Not Later than 1 year	40,27,550	36,70,647
Later than 1 year and not later than 5 years	1,09,63,750	83,62,253
Later than 5 years	76,87,750	38,61,309
	2,26,79,050	1,58,94,209

NOTE 17:- NON-CURRENT PROVISIONS

(Amount in ₹)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Provision for Employee Beenfits		
Provision for gratuity (refer note 38)	38,18,592	17,36,652
	38,18,592	17,36,652

NOTE 18:- DEFERRED TAX LIABILITY

(Amount in ₹)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Deferred Tax Liability	12,98,265	9,29,450
	12,98,265	9,29,450

MINAL INDUSTRIES LIMITED

Notes to Consolidated Financial Statements for the year ended 31st March, 2020

NOTE 19:- CURRENT FINANCIAL LIABILITIES - BORROWINGS

(Amount in ₹)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Secured:		
Term loans from Bank	-	2,30,70,694
Unsecured Loan		
Loans from Related Party (refer note 41)*	18,32,37,469	18,11,24,762
Loans from others	68,49,527	33,58,680
	19,00,86,996	20,75,54,136

* Includes loan from director from its own funds.

NOTE 20:- CURRENT FINANCIAL LIABILITIES - TRADE PAYABLES

(Amount in ₹)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Due to Micro and Small Enterprises (Refer note 20.1)	1,37,458	6,750
Due to others (refer note 41)	1,42,42,956	8,99,00,767
	1,43,80,414	8,99,07,517

NOTE 20.1:- DETAILS OF DUES TO MICRO, SMALL AND MEDIUM ENTERPRISES AS DEFINED UNDER THE MSMED ACT, 2006

(Amount in ₹)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Principal amount due outstanding as at end of year	1,37,458	6,750
Interest due on above and unpaid as at end of year	-	-
Interest paid to the supplier	-	-
Payments made to the supplier beyond the appointed day during the year	-	-
Interest due and payable for the period of delay	-	-
Interest accrued and remaining unpaid as at end of year	-	-
Amount of further interest remaining due and payable in succeeding year	-	-
	1,37,458	6,750

NOTE 21:- CURRENT-OTHER FINANCIAL LIABILITIES

(Amount in ₹)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Unclaim Dividend*	1,84,481	1,84,481
Employee dues	5,16,731	9,31,207
Payable for Capital Assets	10,56,778	-
Other payables**	1,27,49,795	1,30,58,862
Lease Liabilities ***	28,46,522	-
	1,73,54,307	1,41,74,550

* Unclaimed dividend is outstanding for more than seven years as on 31.03.2020.

**Other payable includes various payments to vendors etc.

***For Lease liability refer Note (i) to (iv) of note 16.

NOTE 22:- OTHER CURRENT LIABILITIES

(Amount in ₹)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Advances received for sale of asset	-	5,00,000
Statutory liabilities	3,50,339	10,17,808
	3,50,339	15,17,808

MINAL INDUSTRIES LIMITED
Notes to Consolidated Financial Statements for the year ended 31st March, 2020

NOTE 23:- SHORT-TERM PROVISIONS

(Amount in ₹)

Particulars	As at	As at
	31st March, 2020	31st March, 2019
Provision for Employee Benefits		
Provision for gratuity (refer note 38)	4,12,850	3,86,418
	4,12,850	3,86,418

NOTE 24 :CURRENT TAX LIABILITIES (NET)

(Amount in ₹)

Particulars	As at	As at
	31st March, 2020	31st March, 2019
Provision for income tax expenses	81,093	2,57,902
Total	81,093	2,57,902

NOTE 25:- REVENUE FROM OPERATIONS

(Amount in ₹)

Particulars	For the year ended	For the year ended
	31st March, 2020	31st March, 2019
Income from contracts with customers		
MANUFACTURING ACTIVITY		
- Export Sale	38,44,42,635	30,06,12,813
- Local Sale	4,35,285	2,36,440
TRADING ACTIVITY		
- Export Sale	-	10,50,87,524
- Local Sale	-	-
	38,48,77,920	40,59,36,777

Revenue recognized from Contract liability (Advances from Customers)

(Amount in ₹)

Particulars	For the year ended	For the year ended
	31st March, 2020	31st March, 2019
Trade Receivables (Gross) (refer note 8)	13,65,90,379	25,38,67,412
Contract Liabilities		
Closing Balance of Contract Liability	-	-

NOTE 26:- OTHER INCOME

(Amount in ₹)

Particulars	For the year ended	For the year ended
	31st March, 2020	31st March, 2019
Interest income earned on financial assets that are not designated as FVTPL		
↳ Interest on fixed deposit	22,01,758	20,64,187
↳ Interest on others	1,19,313	-
Foreign exchange gain (net)	79,95,015	1,06,47,737
Profit on sale of Property, plant and equipment	9,06,663	-
Sundry creditor written back	22,37,694	15,07,416
Discount received	60,115	76,883
	1,35,20,558	1,42,96,223

NOTE 27:- COST OF MATERIAL CONSUMED

(Amount in ₹)

Particulars	For the year ended	For the year ended
	31st March, 2020	31st March, 2019
A) Raw Material		
Opening Stock	46,46,74,285	60,38,78,817
Add : Purchases	31,37,39,216	18,44,20,851
Closing Stock	(53,40,82,131)	(46,46,74,285)
	24,43,31,370	32,36,25,383
B) Store & Spare		
Opening Stock	42,66,449	-
Add : Purchases	79,62,222	1,42,75,400
Closing Stock	(35,62,295)	(42,66,449)
	86,66,376	1,00,08,951
	25,29,97,746	33,36,34,334

27.2 Details of Raw materials Consumed

(Amount in ₹)

Particulars	For the year ended	For the year ended
	31st March, 2020	31st March, 2019
Gold	9,99,16,109	10,21,54,559
Cut and Polished Diamonds	11,57,97,353	19,03,15,168
Consumables Stores	1,17,45,383	1,00,08,951
Others	2,55,38,901	3,11,55,656
Total	25,29,97,746	33,36,34,334

NOTE 28. PURCHASE OF STOCK IN TRADE

(Amount in ₹)

Particulars	For the year ended	For the year ended
	31st March, 2020	31st March, 2019
Purchase of stock-in-trade	72,58,082	-
Total	72,58,082	-

NOTE 29:- CHANGES IN INVENTORY

(Amount in ₹)

Particulars	For the year ended	For the year ended
	31st March, 2020	31st March, 2019
A) Finished Goods		
Opening Stock	18,58,79,087	14,51,46,268
Closing Stock	(10,71,46,360)	(18,58,79,087)
	7,87,32,727	(4,07,32,819)

NOTE 30:- EMPLOYEE BENEFITS EXPENSE

(Amount in ₹)

Particulars	For the year ended	For the year ended
	31st March, 2020	31st March, 2019
Salaries, Wages & Bonus	1,49,13,517	1,44,92,342
Contributions to provident and other fund (Refer Note 38)	5,65,370	6,66,874
Staff Welfare Expenses	16,21,935	17,53,843
Gratuity Expenses (Refer note 38)	21,08,372	(9,16,445)
	1,92,09,194	1,59,96,614

NOTE 31- FINANCE COST

(Amount in ₹)

Particulars	For the year ended	For the year ended
	31st March, 2020	31st March, 2019
Interest on		
- From Bank	10,49,823	10,82,504
- Lease Liability	7,50,905	-
Other finance costs	27,58,482	40,16,650
	45,59,210	50,99,154

NOTE 32- DEPRECIATION AND AMORTISATION EXPENSE

(Amount in ₹)

Particulars	For the year ended	For the year ended
	31st March, 2020	31st March, 2019
Depreciation on Tangible Assets	49,88,832	(84,17,786)
Amortisation on Intangible Assets	1,00,000	(1,81,085)
Amortisation on Right of Use Assets	27,24,484	-
	78,13,316	(85,98,871)

MINAL INDUSTRIES LIMITED**Notes to Consolidated Financial Statements for the year ended 31st March, 2020****NOTE 33:- OTHER EXPENSES**

(Amount in ₹)

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Rent,Rates & Taxes	19,14,685	25,43,134
Repairs and Maintaince	7,63,564	7,55,593
Communication expenses	3,04,860	5,78,775
Printing and Stationery	5,35,759	5,98,503
Advertisement expenses	26,793	1,84,730
Auditor's remuneration (refer note 40)		
- Statutory Audit	10,55,000	7,60,000
- Certification	12,500	-
Legal & Professional Charges	39,06,039	43,48,216
Insurance	5,62,459	9,45,537
Import and Export Clearing Charges	4,44,901	8,58,682
Freight Expenses	1,81,69,780	1,88,65,811
Labour Charges	4,31,40,955	4,49,86,913
Annual Listing Fees	5,71,825	11,09,850
Business promotion expenses	1,06,343	3,99,098
Commission and Brokerage Charges	1,35,27,941	1,34,53,536
Motor Car Expenses	2,46,651	3,57,826
Office and General Expenses	14,58,405	31,86,156
Custodian Charges	85,350	1,05,200
Electricity Expenses	74,55,113	75,85,610
Travelling, Conveyance and Car Expense	19,55,268	27,01,550
Miscellaneous Expenses	8,38,088	89,028
Water Charges	5,82,120	3,69,347
Penalty	2,65,556	-
Packing Material	11,805	39,900
	9,79,41,760	10,48,22,995

NOTE 34 : EXCEPTIONAL ITEMS

(Amount in ₹)

Particular	For the year ended March 31,2020	For the year ended 31st March, 2019
Profit on Sale of Property,plant and equipment (Refer note 51)	1,89,73,422	-
Total	1,89,73,422	-

MINAL INDUSTRIES LIMITED
Notes to Consolidated Financial Statements for the year ended 31st, March, 2019
NOTE 35: CURRENT TAX
(a) Income-tax expense through the statement of profit and loss

(Amount in ₹)

Particular	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Current tax:		
Current tax on profits for the year (a)	-	18,14,700
Tax (credit) under Minimum Alternative Tax (b)	-	(18,14,700)
Relating to origination and reversal of temporary differences (c)	(4,04,113)	33,38,264
Total	(4,04,113)	33,38,264

Reconciliation of Income Tax Expenses

Particular	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Profit before tax		
Accounting Profit before tax	(7,45,58,430)	66,29,768
Enacted tax rate in india	26%	26%
Computed tax expense	(1,93,85,192)	17,23,740
Expenses not allowed for tax purpose	1,09,38,308	1,20,46,917
Additional allowances for tax purpose	4,59,45,501	9,56,538
Current tax	-	-
Income tax	-	-
*Deferred tax (Refer table below)	(4,04,113)	33,38,264
Total tax expenses	(4,04,113)	33,38,264
Effective rate of tax	-	50%
MAT Credit		
MAT Liability (115JB)	-	-
MAT Credit entitlement	-	-
Current tax	-	-

There are certain income-tax related legal proceedings which are pending against the Company. Potential liabilities, if any have been adequately provided for, and the Company does not currently estimate any probable material incremental tax liabilities in respect of these matters (refer note 37).

(b) Deferred tax relates to the following:

(Amount in ₹)

Particulars	Balance Sheet		Recognised in statement of profit or loss		Recognised in / reclassified from Other Comprehensive Income	
	For the year ended 31st March, 2020	For the year ended 31st March, 2019	For the year ended 31st March, 2020	For the year ended 31st March, 2019	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Timing difference on account of book depreciation and tax depreciation	(29,03,847)	(58,076)	(28,45,771)	2,59,590	-	-
Other items giving rise to temporary differences	5,63,810	(26,86,074)	32,49,884	30,78,674	-	-
Income tax relating to items that will not be reclassified to profit or loss from OCI	(7,72,928)	-	-	-	(7,72,928)	-
Deferred tax asset / (liability)	(31,12,965)	(27,44,150)	4,04,113	33,38,264	(7,72,928)	-

(c) Reconciliation of deferred tax assets / (liabilities) net

(Amount in ₹)

Particular	As at 31st March, 2020	As at 31st March, 2019
Balance on Begning of the Year	(27,44,150)	5,94,114
Tax income / (expense) during the year recognised in profit or loss	4,04,113	(33,38,264)

Income tax relating to items that will not be reclassified to profit or loss from OCI	(7,72,928)	-
Balance on ending of the Year	(31,12,965)	(27,44,150)

(d) Movement in MAT credit entitlement

(Amount in ₹)

Particular	As at 31st March, 2020	As at 31st March, 2019
Balance at the beginning of the year	18,14,700	18,14,700
Add: MAT credit entitlement availed during the year	-	-
Less: MAT credit utilised during the year	-	-
Balance on ending of the Year	18,14,700	18,14,700

(e) The following table provides the details of income tax assets and income tax liabilities as of March 31, 2020 and March 31, 2019:

(Amount in ₹)

Particular	As at 31st March, 2020	As at 31st March, 2019
Income tax assets	-	-
Income tax liabilities	12,98,265	9,29,450
Total	(12,98,265)	(9,29,450)

NOTE 36 : DISCLOSURE AS REQUIRED BY INDIAN ACCOUNTING STANDARD (IND AS) 33 EARNINGS PER SHARE

Particular	As at 31st March, 2020	As at 31st March, 2019
Net profit attributable to shareholders for earnings per share (₹)	(7,41,54,317)	32,91,504
Number of equity shares for earnings per share (In Number)	19,19,00,650	19,19,00,650
Earning Per Share (Face vale of ₹ 10 per Equity Share)		
Basic earning per share (₹)	(0.39)	0.02
Diluted earning per share (₹)	(0.39)	0.02

MINAL INDUSTRIES LIMITED**Notes to Consolidated Financial Statements for the year ended 31st, March, 2020****Note 37:- Contingent Liabilities And Commitments****37.1 Contingent Liabilities: (to the extent not provided for)**

(Amount in ₹)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Corporate Guarantee given to bank in respect of credit facilities sanctioned to associate Group	6,98,00,000	6,98,00,000
Income tax liability that may arise in respect of matters in appeal preferred by the department:		
Disputed Income tax liabilities (AY 1998-99)	4,99,230	4,99,230
Disputed Income tax liabilities (AY 2011-12)	1,72,530	1,72,530
Rent & Services Charges due for Sachin Surat SEZ	74,35,109	74,35,109
Penalty under the Maharashtra Stamp Act, 1958	30,84,480	30,84,480
Bond Cum undertaking given by the Group executed in favour of the President of India towards manufacture of goods for exports in Special Economic Zone	21,38,00,060	21,38,00,060
Disputed Penalty and Interest under MVAT Act, 2002 for FY 2008-09	6,69,807	6,69,807
Total	29,54,61,216	29,54,61,216

(a) It is not practicable to estimate the timing of cash outflows, if any, in respect of matters above, pending resolution of the arbitration / appellate proceedings.

(b) The company has received communication from Bombay Stock Exchange (BSE) LIST/COMP PH VI/522235/19/INT/2018-2019 dated March 19, 2019. The communication is regarding "Initiation of and completion of the formalities for revocation of suspension of trading in the securities of the company". The Company is in the process of making suitable response to such communication, Pending submission of the reply to the stock exchange and final outcome, the management has not considered adjustments (if any) on account of above in the above statements.

37.2 In the opinion of management, the current assets, loans and advances have a value on realisation in the ordinary course of business, at least equal to the amount at which they are stated in the balance sheet. Provision for all known liabilities is adequate and not in excess of what is required.

37.3 The Group is yet to receive balance confirmation in respect of certain trade payable, other payable, trade receivable, other receivable and loan and advances. The management does not expect any material difference affecting the current year's financial statements due to the same.

Note 38: Disclosures As Required By Indian Accounting Standard (Ind AS 19) Employee Benefits**38.1 Employee benefits plans**

The Company's contribution to Provident Fund ₹ 4,29,118 (Previous year ₹ 4,69,704) is recognised as an expense and included in Employee benefits expense.

38.2 Defined benefit plans:**(a) Gratuity (Non-funded):**

"The Group provides for gratuity, a defined benefit retirement plan covering eligible employees. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount equivalent to 15 days' salary for each completed year of service . Vesting occurs upon completion of five continuous years of service in accordance with Indian law.

The Group is typically expose the Group to actuarial risks such as: interest rate risk, longevity risk and salary risk.

Interest Risk:

A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the return on the plan's debt investments

Longevity risk:

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

Salary risk:

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

The most recent actuarial valuation of the plan assets and the present value of the defined benefit obligation were carried out at March 31, 2020 by M/S Kewal Krishan Wadhwa, Consultants & Actuaries. The present value of the defined benefit obligation, and the related current service cost and past service cost, were measured using the projected unit credit method.

The following tables summarise the components of net benefit expenses recognised in the statement of profit and loss and the funded status and amounts recognised in the balance sheet for the respective plans:

(Amount in ₹)

Particulars	Gratuity	
	As at 31st March, 2020	As at 31st March,
Change in present value of defined benefit obligation during the year		
Present Value of defined benefit obligation at the beginning of the year	21,23,070	30,82,265
Interest cost	1,62,426	2,38,559
Current service cost	4,26,998	2,31,388
Benefits paid	-	(42,750)
Actuarial (Gains)/Losses on Obligations	15,18,948	(13,86,392)
Present Value of Benefit Obligation at the End of the year	42,31,442	21,23,070
Expense recognised in the statement of profit and loss:		
Current service cost	40,88,318	2,31,388
Interest cost	8,798	2,38,559
Expected return on plan assets	-	-
Actuarial losses/(gains)	4,29,308	(13,86,392)

Total expenses included in employee benefits expense	45,26,424	(9,16,445)
Reconciliation statement of expense in the statement of profit and loss		
Present value of obligation as at the end of period	22,23,227	21,23,070
Present value of obligation as at the beginning of the period	(1,14,855)	(30,82,265)
Benefits paid	-	42,750
Actual return on plan assets	40,71,157	-
Expenses recognized in the statement of profit & losses	61,79,529	(9,16,445)
Principal actuarial assumptions:		
Discount rate	6.71% to 6.92%	7.65% to 7.66%
Salary escalation	7%	
Actuarial Valuation Method	Projected Unit Credit (PUC) Actuarial Method	
Demographic assumptions used		
Mortality table	IALM (2012-14)	IALM (2006-08)
Retirement age	60	60
Actual contribution and benefit payments for year		
Actual benefit payments	-	(42,750)
Actual contributions	45,26,424	(9,16,445)
Net asset / (liability) recognised in the balance sheet		
(Present Value of Benefit Obligation at the end of the Period)	22,23,227	21,23,070
Funded Status (Surplus/ (Deficit))	(22,23,227)	(21,23,070)
Unrecognized actuarial (gains)/losses	-	-
Net (Liability)/Asset Recognized in the Balance Sheet	(22,23,227)	(21,23,070)

(b) Sensitivity analysis:

(Amount in ₹)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Quantitative sensitivity analysis for significant assumption is as below:		
Increase / (decrease) on present value of defined benefits obligation at the end of the year:		
Half percentage point increase in discount rate	(11,249)	(53,636)
Half percentage point decrease in discount rate	(1,13,666)	56,485
Half percentage point increase in rate of salary Increase	56,492	56,492
Half percentage point decrease in rate of salary Increase	(1,37,204)	(45,478)

Sensitivity due to mortality & withdrawals are not material & hence impact of change due to these not calculated

The present value of the defined benefit obligation calculated with the same method (projected unit credit) as the defined benefit obligation recognised in the balance sheet. The sensitivity analysis is based on a change in one assumption while not changing all other assumptions. This analysis may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in the assumptions would occur in isolation of one another since some of the assumptions may be co-related.

(C) Experience adjustments

(Amount in ₹)

Gratuity	2019-20	2018-19	2017-18	2016-17	2015-16
Present value of Defined Benefits Obligation	42,31,442	21,23,070	30,82,265	16,01,318	13,00,994
Fair value of plan assets					
[Surplus / (Deficit)]	(42,31,442)	(21,23,070)	(30,82,265)	(16,01,318)	(13,00,994)
Experience adjustments on plan liabilities		-		-	-
Experience adjustments on plan assets		-		-	-

In assessing the Group's post retirement liabilities, the Group monitors mortality assumptions and uses up-to-date mortality tables, the base being the Indian assured lives mortality (2012-14) ultimate.

The discount rate is based on the prevailing market yields of Government of India securities as at the Balance sheet date for the estimated term if the obligation.

The estimates of future salary increase, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

MINAL INDUSTRIES LIMITED

Notes to Consolidated Financial Statements for the year ended 31st, March, 2020

NOTE 39: SEGMENT INFORMATION

(a) Services from which reportable segments derive their revenue

In accordance with the principles given in Ind-AS 108 notified by Companies (Indian Accounting Standards) Rules 2015, the Minal Group has determined its primary business segment as "Manufacturing and Trading of Gems and Jewellery".

(b) Segment Revenue and Results

(Amount in ₹)

Particulars	Segment Revenue	Segment Profit	Segment Revenue	Segment Profit
	Year ended March 31, 2020	Year ended March 31, 2020	Year ended March 31, 2019	Year ended March 31, 2019
Manufacturing activity	384877920	10,12,03,797	30,31,61,752	20,85,678
Trading division	-	-	11,47,07,038	2,82,61,587
Total Segment Revenue/ Result	38,48,77,920	10,12,03,797	41,78,68,790	3,03,47,265
Unallocated	3,24,93,980	(17,57,62,227)	23,64,210	(2,37,17,498)
Total Revenue/ Result	41,73,71,900	(7,45,58,430)	42,02,33,000	66,29,768

(c) Segment Assets and Liabilities

(Amount in ₹)

Particulars	As at 31st March, 2020	As at March 31, 2019
Segment Assets		
Manufacturing activity	781381165	56,22,02,500
Trading division	-	39,03,81,711
Total Segment Assets	78,13,81,165	95,25,84,211
Unallocated	10,84,97,664	8,42,05,313
Total Assets	88,98,78,829	1,03,67,89,524
Segment Liabilities		
Manufacturing activity	20,44,67,410	20,28,02,569
Trading division	-	7,16,39,188
Total Segment Liabilities	20,44,67,410	27,44,41,757
Unallocated	3,70,40,774	4,20,22,677
Total Liabilities	24,15,08,184	31,64,64,434

(d) Additional Information By Geographies

(i) Revenue by Geographical Market

(Amount in ₹)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Revenue		
- India	39,17,97,812	1,01,42,196
- Outside India	4,56,062	40,80,26,617
Total Segment Revenue	39,22,53,874	41,81,68,813

Unallocated	2,51,18,026	20,64,187
Total	41,73,71,900	42,02,33,000

(ii) Assets by Geographical Market

Segment Assets and Liabilities

(Amount in ₹)

Particulars	As at March 31,2020	As at March 31,2019
Segment Assets		
Outside India	78,79,55,262	90,86,87,233
India	9,93,28,127	12,71,73,360
Total Segment Assets	88,72,83,389	1,03,58,60,593
Unallocated	25,95,440	9,28,931
Total Assets	88,98,78,829	1,03,67,89,524
Segment Liabilities		
Outside India	1,40,63,822	1,09,91,297
India	22,60,65,005	30,42,85,785
Total Segment Liabilities	24,01,28,827	31,52,77,082
Unallocated	13,79,357	11,87,352
Total Liabilities	24,15,08,184	31,64,64,434

Notes :

Geographical Segment :

(i) For the purpose of geographical segment the sales are divided into two segments - India and outside India.

(e) Customer contributing more than 10% of revenue

(Amount in ₹)

Particulars	As at March 31,2020	As at March 31,2019
Manufacturing activity	38,44,42,635	40,56,99,129
Trading division	-	9,66,21,390

MINAL INDUSTRIES LIMITED**Notes to Consolidated Financial Statements for the year ended 31st, March, 2020****NOTE 40: REMUNRATION TO STATUTORY AUDITOR (EXCLUDING GST)**

(Amount in ₹)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Statutory Audit fees	10,55,000	7,60,000
Certification	12,500	-
Total	10,67,500	7,60,000

NOTE 41: DISCLOSURES AS REQUIRED BY INDIAN ACCOUNTING STANDARDS (IND AS 24) RELATED PARTY DISCLOSURE

a. List of Related Parties	Nature of Relation
Minal Infracons Private Limited	Other
Minal Infrastructures & Properties Private Limited	Other
Minal Lifestyles Private Limited	Other
Minal Exim Private Limited	Other
Affinity Investments Private Limited	Other
Clicks Metro Online Private Limited	Other
Minal Plastics Products	Other
Minal Elec And Engg	Other
Twinkle Lifestyles Pvt Ltd	Other
Selection INC. USA	Other
Minal Jewels USA	Other
Key Managerial Personnel	Designation
Shrikant J Parikh	Director
Amulbhai Jethabhai Patel	Director
Shankar Prasad Bhagat	Director
Sona A. Parikh	Director

(b) Transaction during the year with related parties:

(Amount in ₹)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
1. Purchase of Goods / Services		
Selection Inc.	14,44,37,970	2,36,84,224
Minal Exim Private Limited	7,83,786	10,25,354
Affinity Investment Private Limited	1,27,67,122	1,24,31,080
Shankar Prasad Bhagat	15,000	12,000
	15,80,03,878	3,71,52,658
2. Sale of Goods / Services		
Selection Inc.	38,44,42,635	40,55,88,327
	38,44,42,635	40,55,88,327
3. Loans given		
Minal Exim Private Limited		-
Minal Infracons Pvt.Ltd.	27,500	7,500
Minal Infrastructure & Properties P.Ltd.	27,500	7,500
Minal Lifestyles Pvt Ltd	27,500	7,500
Clicksmetro Online Pvt.Ltd.	12,500	5,000
Twinkle Lifestyles Pvt Ltd	25,000	7,500
Zamkar Trust	-	2,500
Nirvani Trust	-	2,500
JBP Enterprises	-	2,500
	1,20,000	42,500
4. Loans repaid by		
Minal Infracons Pvt.Ltd.	27,500	7,500
Minal Infrastructure & Properties P.Ltd.	27,500	7,500
Twinkle Lifestyles Pvt Ltd	25,000	7,500
Zamkar Trust	-	2,500
Clicksometer Online Pvt. Ltd.	12,500	5,000
Nirvani Trust	-	2,500
JBP Enterprises	-	2,500
Minal Exim Private Limited	-	6,50,000
Minal Lifestyles Pvt Ltd	27,500	7,500
Affinity Investment Private Limited	-	42,50,000
	1,20,000	49,42,500

5. Loans taken from Shrikant J Parikh	1,32,78,566	-
	1,32,78,566	-
6. Loans repaid to Shrikant J Parikh	45,45,016	96,81,470
	45,45,016	96,81,470

Compensation to Key Management Personnel (Amount in ₹)

Nature of Transaction	For the year ended March 31, 2020	For the year ended March 31, 2019
Short-Term employee benefits	36,00,000	36,00,000
Post-employment benefits	-	-
Other long-term benefits	-	-
Termination benefits	-	-
Share-based payments	-	-
Total compensation to key management personnel	36,00,000	36,00,000

As the future liabilities for gratuity is provided on actuarial basis for the Group as a whole, the amount pertaining to individual is not ascertainable and therefore not included above.

Terms and Conditions

Sales

The sales to related parties are made on terms equivalent to those that prevail in arm's length transactions and in the ordinary course of business. Sales transactions are based on prevailing price lists and memorandum of understanding signed with related parties. For the year ended 31st March 2020, the Company has not recorded any impairment of receivables relating to amounts owed by related parties

Purchase

The purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions and in the ordinary course of business. Purchase transactions are based on made on normal commercial terms and conditions and market rates.

Loan Taken

Loan are taken from related parties at Interest free.

Loan Given

Loan are given to related parties at Interest free.

(c) Amount due to/from: (Amount in ₹)

Particulars	As at	As at
	31st March, 2020	31st March, 2019
1. Accounts receivables		
Selection Inc.	9,60,42,471	9,66,21,390
Minal Exim Pvt Ltd	16,46,543	7,49,679
Minal Jewels	-	11,79,81,515
Affinity Investment Pvt Ltd	53,93,584	41,83,726
	10,30,82,598	21,95,36,310
2. Accounts payable		
Shankar Bhagat	-	12,000
Selection Inc.	71,81,174	7,70,60,869
	71,81,174	7,70,72,869
3. Other advances receivables		
Selection Inc (USA)	24,73,888	24,73,888
	24,73,888	24,73,888
4. Loans payables		
Shrikant J Parikh	18,32,37,478	17,45,03,928
	18,32,37,478	17,45,03,928

MINAL INFOJEWELS LIMITED

Notes to Consolidated Financial Statements for the year ended 31st, March, 2020

NOTE 42: FINANCIAL INSTRUMENT

(a) Capital Risk Management

The Group's objective is to maintain a strong & healthy capital ratios and establish a capital structure that would maximise the return to stakeholders through optimum utilisation of its funds.

The Group monitors its capital using gearing ratio, which is net debt divided to total equity. Net debt includes, interest bearing loans and borrowings less cash and cash equivalents, Bank balances other than cash and cash equivalents and current investments. The Group does not have any debt and also any sub-ordinated liabilities:

The Group monitors its capital using gearing ratio, which is net debt, divided to total equity. Net debt includes, interest bearing loans and borrowings less cash and cash equivalents, bank balances other than cash and cash equivalents and current investments."

(Amount in ₹)

Particulars	As at	As at
	31st March, 2020	31st March, 2019
Long term Borrowings	-	-
Current maturities of long term borrowings	-	-
Short term borrowings	19,00,86,996	20,75,54,137
Less: Cash and cash equivalents	(43,80,202)	(5,51,65,364)
Net Debt	18,57,06,794	15,23,88,773
Total equity	55,21,82,966	60,09,29,282
Gearing ratio	33.63	25.36

(i) Equity includes all capital and reserves of the Group that are managed as capital.

(ii) Debt is defined as long term and Short-term borrowings, as described in note 19.

(b) Categories of Financial instruments

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair values:

Fair value of cash, trade and other short term receivables, trade payables, other current liabilities, short term loans from banks and other financial institutions approximate their carrying amounts largely due to the short-term maturities of these instruments.

(Amount in ₹)

Particulars	Level	As at 31st March, 2020		As at 31st March, 2019	
		Carrying value	Fair value	Carrying value	Fair value
Financial assets					
Non-Current					
Investments		500	500	500	500
Loans		25,95,441	25,95,441	8,29,062	8,29,062
Current					
Trade receivables*		13,65,90,379	13,65,90,379	25,38,67,412	25,38,67,412
Cash and cash equivalents*		43,80,202	43,80,202	5,51,65,364	5,51,65,364
Bank Balance other than cash and cash equivalents*		1,45,84,481	1,45,84,481	1,84,481	1,84,481
Loans		1,36,84,613	1,36,84,613	1,23,81,132	1,23,81,132
Other financial assets*		11,38,186	11,38,186	7,52,484	7,52,484
Total Financial assets		17,29,73,802	17,29,73,802	32,31,80,435	32,31,80,435
Financial liabilities					

Non-Current					
Other Financial Liabilities		1,37,25,328	1,37,25,328	-	-
Current					
Borrowings		19,00,86,996	19,00,86,996	20,75,54,137	20,75,54,137
Trade payables*		1,43,80,414	1,43,80,414	8,99,07,517	8,99,07,517
Other financial liabilities*		1,73,54,307	1,73,54,307	1,41,74,550	1,41,74,550
Total Financial Liabilities		23,55,47,045	23,55,47,045	31,16,36,204	31,16,36,204

* The carrying amounts of trade receivables, trade payables, cash and cash equivalents, other bank balances, other financial assets and other financial liabilities are considered to be the same as their fair values, due to their short term nature.

Fair value hierarchy

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

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

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

(c) Financial Risk Management

The Group's activities expose it to a variety of financial risks: market risk, credit risk, liquidity risk and foreign exchange risk. The Group's focus is to foresee the unpredictability of financial markets and seek to minimise potential adverse effects on its financial performance.

The risk management policies aims to mitigate the following risks arising from the financial instruments:

- (i) Interest Rate Risk
- (ii) Credit risk
- (iii) Liquidity risk
- (iv) Market risk
- (v) Foreign exchange risk

(i) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group 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 following table provides a breakup of Group's fixed and floating rate borrowing :

(Amount in ₹)

Particulars	As at	As at
	31st March, 2020	31st March,2019
Fixed rate Borrowing	19,00,86,996	20,75,54,137
Floating rate borrowing	-	-
Total Borrowing	19,00,86,996	20,75,54,137
Less: Upfront fees	-	-
Net Borrowings	19,00,86,996	20,75,54,137

The sensitivity analyses below have been determined based on the exposure to interest rates for floating rate liabilities

(Amount in ₹)

Particulars	As at March 31,2020		As at March 31,2019	
	Profit/Loss		Profit/Loss	
	100 bp increase	100 bp decrease	100 bp increase	100 bp decrease
Variable Rate instrument	19,00,870	(19,00,870)	20,75,541	(20,75,541)
Cash flow sensitivity	19,00,870	(19,00,870)	20,75,541	(20,75,541)

(ii) Credit risk

Credit risk arises from the possibility that counter party may not be able to settle their obligations as agreed. To manage this, the Group periodically assesses the financial reliability of customers, taking into account the financial condition, current economic trends, and analysis of historical bad debts and ageing of accounts receivable.

Credit risk refers to the risk of default on its obligation by the counterparty resulting in a financial loss. The maximum exposure to the credit risk at the reporting date is primarily from trade receivables amounting to ₹ 13,65,90,379 and ₹ 25,38,67,412 as of 31st March, 2020 and 31st March, 2019, respectively.

Credit risk on cash and cash equivalents is limited as the Group generally invest in deposits with banks.

(iii) Liquidity Risk management

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

Maturity Profile of financial assets and financial liabilities as on 31.03.2020

(Amount in ₹)

Particulars	< 1 year	1-5 Years	> 5 years	Total
Financial Assets				
Investments	-	-	500	500
Loans	-	19,97,501	5,97,940	25,95,441
Trade receivables	13,65,90,379	-	-	13,65,90,379
Cash and cash equivalents	43,80,202	-	-	43,80,202
Bank Balance other than cash and cash equivalents	1,45,84,481	-	-	1,45,84,481
Loans	1,36,84,613	-	-	1,36,84,613
Other financial assets	11,38,186	-	-	11,38,186
Total	17,03,77,861	19,97,501	5,98,440	17,29,73,802
Financial Liabilities				
Other financial liabilities-Non Current	-	74,35,196	62,90,132	1,37,25,328
Borrowings	19,00,86,996	-	-	19,00,86,996
Trade payables	1,43,80,414	-	-	1,43,80,414
Other financial liabilities	1,73,54,307	-	-	1,73,54,307
Total	1,73,54,307	-	-	23,55,47,045

Maturity Profile of financial assets and financial liabilities as on 31.03.2019

(Amount in ₹)

Particulars	< 1 year	1-5 Years	> 5 years	Total
Financial Assets				
Investment	-	-	500	500
Loans	1,23,81,132	-	8,29,062	1,32,10,194
Trade receivables	25,38,67,412	-	-	25,38,67,412
Cash and cash equivalents	5,51,65,364	-	-	5,51,65,364
Bank Balance Other than above	1,84,481	-	-	1,84,481
Other financial assets	7,52,484	-	-	7,52,484
Total	32,23,50,872	-	8,29,062	32,31,80,435
Financial Liabilities				
Borrowings	20,75,54,137	-	-	20,75,54,137
Trade payables	8,99,07,517	-	-	8,99,07,517
Other financial liabilities	1,41,74,550	-	-	1,41,74,550
Total	31,16,36,204	-	-	31,16,36,204

Capital management:

For the purposes of the Group's capital management, capital includes issued capital and all other equity reserves. The primary objective of the Group's Capital Management is to maximise shareholder value. The Group manages its capital structure and makes adjustments in the light of changes in economic environment and the requirements of the financial covenants.

(iv) Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in the market prices. The Group is exposed in the ordinary course of its business to risks related to changes in foreign currency exchange rates and interest rates.

(v) Foreign Currency Risk

The Group is exposed to currency risk on account of its other payables in foreign currency. The functional currency of the Group is Indian Rupee. These other payables are primarily denominated in US dollars. The carrying amounts of the Group's monetary assets and monetary liabilities at the end of the reporting period are as follows.

Currency Exposure as at March 31, 2020

(Amount in ₹)

Foreign currency exposure	Amount in Foreign Currency		Amount in INR	
	As at 31st March,2020	As at 31st March,2019	As at 31st March,2020	As at 31st March,2019
Trade Receivable	13,86,297	32,60,211	10,37,64,352	22,29,98,441
Other Receivable	1,82,961	-	1,33,906	-
Trade payable	1,34,54,738	12,66,021	1,48,62,022	8,80,51,752

Foreign currency sensitivity analysis

1% increase or decrease in foreign exchange rates will have the following impact on profit before tax.

Currency impact

(Amount in ₹)

Particulars	As at 31st March, 2020		As at 31st March,2019	
	Profit/Loss		Profit/Loss	
	Strengthening	Weakening	Strengthening	Weakening
Payable				
USD/INR	1,48,620	(1,48,620)	8,80,518	(8,80,518)
Receivable				
USD/INR	10,38,983	(10,38,983)	22,29,984	(22,29,984)

MINAL INDUSTRIES LTD

Notes to Consolidated Financial Statements for the year ended 31st, March, 2020

NOTE 43: DISCLOSURE OF ADDITIONAL INFORMATION PERTAINING TO THE HOLDING COMPANY, SUBSIDIARIES AND JOINT VENTURES AS PER SCHEDULE III OF COMPANIES ACT, 2013

(Amount in ₹)

Name of entity in the group	Net Assets, i.e. total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of total comprehensive income	Amount
Parent Company								
MINAL INDUSTRIES LTD	89.81%	58,23,12,426	35.32%	(2,61,89,628)	0.00%	-	36.40%	(2,61,89,628)
Subsidiaries								
Minal Infojewels Ltd	-4.56%	(2,95,83,852)	30.55%	(2,26,57,134)	0.00%	-	31.49%	(2,26,57,134)
Foreign								
Minal International FZE	-0.27%	(17,23,696)	2.83%	(20,99,416)	100.00%	21,99,871	-0.14%	1,00,455
Other than Company								
RSBL Jewels	0.18%	11,78,098	0.00%	0	0.00%	-	0.00%	0
Non-controlling interest in all subsidiaries	14.84%	9,61,87,669	31.30%	(2,32,08,139)	0.00%	-	32.25%	(2,32,08,139)
Total	100%	64,83,70,645	100%	(7,41,54,317)	100%	21,99,871	100%	(7,19,54,446)

MINAL INFOJEWELS LIMITED

Notes to Consolidated Financial Statements for the year ended 31st, March, 2020

NOTE 44: C.I.F. VALUE AND EXPENDITURE IN FOREIGN CURRENCY

(i) C.I.F. value of imports:

(Amount in ₹)

Particulars	As at	
	31st March, 2020	31st March, 2019
Raw Materials	1,43,48,919	2,29,66,523
Stores and spares	13,80,597	51,49,069
Total	1,57,29,516	2,81,15,592

(ii) Expenditure in foreign currency:

(Amount in ₹)

Particulars	As at	
	31st March, 2020	31st March, 2019
Foreign Travelling	9,36,250	6,43,270
Total	9,36,250	6,43,270

(ii) Earning in foreign currency:

(Amount in ₹)

Particulars	As at	
	31st March, 2020	31st March, 2019
F.O.B. Value of Export	38,01,95,513	40,04,23,936
Total	38,01,95,513	40,04,23,936

NOTE 45: VALUE OF CONSUMPTION OF DIRECTLY IMPORTED AND INDIGENOUSLY OBTAINED STORES AND SPARES (REVENUE)

Particulars	As at		As at	
	31st March, 2020		31st March, 2019	
	₹	%	₹	%
Imported	18,05,785	15%	12,05,892	12%
Indigenous	99,39,598	85%	88,03,059	88%
Total	1,17,45,383	100%	1,00,08,951	100%

NOTE 46: INFORMATION REQUIRED UNDER SECTION 186(4) OF COMPANIES ACT, 2013

(Amount in ₹)

Name of Party	As at		As at	
	31st March, 2020		31st March, 2019	
	Repaid/Adjusted	Given	Repaid/Adjusted	Given
Minal Exim Pvt Limited	-	-	6,50,000	-
Affinity Investment Pvt Limited	-	-	42,50,000	-
Total	-	-	49,00,000	-

NOTE 47 : The additional information pursuant to Schedule III of Companies Act, 2013 is either NIL or Not Applicable.

NOTE 48 : The financial statements are approved for issue by the Audit Committee at its meeting held on 22nd October, 2020 and by the Board of Directors on 22nd October, 2020.

NOTE 49 : The COVID-19 has been declared a pandemic by the World Health Organization on March 11, 2020. The pandemic has led to a significant impact on the Indian Financial markets and an overall decline in the economic activities all across the world. On March 24, 2020, the Union Government of India announced a lockdown across the country for containment of the pandemic.

The Company has considered internal and external sources of information, up to the date of approval of the financial statements, in determining the impact of COVID 19 pandemic on various elements of its operations and financial statements. The Company has used the principles of prudence in applying judgments, estimates and assumptions to assess the impact of the COVID-19 pandemic on the Financial Statements as a whole for the period ended March 31, 2020.

The eventual outcome of impact of the global health pandemic may be different from those estimated as on the date of approval of these financial statements depending on how long the pandemic lasts and time period taken for the economic activities to return to normalcy. Further the impact assessment does not indicate any adverse impact on the ability of the Company to continue as a going concern.

NOTE 50 : DISCOUNT TO EXPORT CUSTOMERS

During the previous year ended 31st March,2020 the Group had provided discount to its export customers aggregating to ₹ 2,34,18,295 and had submitted the requisite applications for approval to the Authorised Dealer banks as stipulated by the Master Circular on Export of Goods and Services -Master Circular Direction on Goods and Services dated 12.01.2018 vide para C17.Subsequently the company has obtained the approvals from the authorized dealer banks for reduction in receivables corresponding to discount amounting to ₹ 2,34,18,295.

NOTE 51 : Exceptional item for the year ended March 31, 2020 amounting to Rs. 1,89,73,422 represents gain on sale of property, plant and equipment and transfer of rights in leasehold land.

NOTE 52 : The Holding Company has incurred net losses of ₹ 2,61,81,948.32 during the year ended March 31, 2020 and ₹ 7,31,033.57 during year ended March 31, 2019. Management continues to strengthen its strategy to expand its market in order for the Company to increase its sales and eventually generate profit. In spite of these events or conditions which may cast a doubt on the ability of the company to continue as a going concern, the management is of the opinion that going concern basis of accounting is appropriate in view of the continued financial support from its Promoters. Accordingly, the standalone annual financial statements of the Company have been prepared on a going concern basis.

NOTE 53: The figures for the previous periods have been regrouped / reclassified / restated wherever necessary in order to make them comparable with figures for the year ended March 31, 2020.

For and on behalf of the Board of Directors

SHRIKANT PARIKH
DIRECTOR
DIN No. 0012642

SONA PARIKH
DIRECTOR
DIN No. 0328751

Date : October 22,2020
Place : Mumbai

Date : October 22,2020
Place : USA

MINAL INDUSTRIES LIMITED

Notes to the Consolidated Financial Statements as at and for the year ended 31st March, 2020

1. General information

The consolidated financial statements comprise financial statement of Minal Industries Limited (the 'Company' or "the Holding Company") and its subsidiaries (Collectively "the group") for the period March 31, 2020. The company is a listed public limited company domiciled in India and incorporated under the Companies Act, 1956 having its registered office located at Plot No. 16(P)-17, 28 & 29(P), M.I.D.C., SEEPZ, Andheri (East) Mumbai - 400 096. The Group is engaged in manufacturing and export of Diamond studded Gold & Silver Jewellery.

The following entities are included in consolidation:

Name of the Company	Country of Incorporation	Shareholding either directly or through subsidiaries	Nature of Operations (commenced/ planned)
Minal Infojewels Limited	India	49.4%	Gems and Jewellery
Minal International FZE	Sharjah, U.A.E.	100%	Trading in Gold, Silver, Diamond and related Jewellery
M/S RSBL Jewels	India	99%	Gems and Jewellery

1.1. New Accounting Pronouncement – Adoption of IND AS 116 “Leases “

The Group applied Ind AS 116-Leases first time. Ind AS 116 Leases was notified on March 30, 2019 by the Ministry of Corporate Affairs. It replaces Ind AS 17 Leases, including appendices thereto. Ind AS 116 is effective for annual periods beginning on or after April 1, 2019. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single on-balance sheet model similar to the accounting for finance leases under Ind AS 17. The standard includes two recognition exemptions for lessees – leases of 'low-value' assets and short-term leases (i.e. leases with a lease term of 12 months or less). At the commencement date of a lease, a lessee will recognise a liability to make lease payments (i.e., the lease liability) and an asset representing the right to use the underlying asset during the lease term (i.e., the right of use asset). Lessees will be required to separately recognise the interest expense on the lease liability and the depreciation expense on the right of use asset.

Lessees will be also required to remeasure the lease liability upon the occurrence of certain events (e.g., a change in the lease term, a change in future lease payments resulting from a change in an index or rate used to determine those payments). The lessee will generally recognise the amount of the remeasurement of the lease liability as an adjustment to the right of use asset.

The standard permits two possible methods of transition i.e. Full retrospective – Retrospectively to each prior period presented applying Ind AS 8 Accounting Policies, Changes in Accounting Estimates and Errors, and Modified retrospective – Retrospectively, with the cumulative effect of initially applying the Standard recognized at the date of initial application. The Group adopted Ind AS 116 using the modified retrospective approach on transition. Therefore, the comparative information was not restated and continues to be reported under Ind AS 17. There was no impact on transition on the opening balance sheet as at April 1, 2019.

The following is the summary of practical expedients elected on initial application:

1. Applied a single discount rate to a portfolio of leases of similar assets in similar economic environment with a similar end date.
2. Applied the exemption not to recognize ROU assets and liabilities for leases with less than 12 months of lease term.
3. Excluded the initial direct costs from the measurement of the ROU asset at the date of initial application.
4. Applied the practical expedient to grandfather the assessment of which transactions are leases. Accordingly, Ind AS 116 is applied only to contracts that were previously identified as leases under Ind AS 17.

1.2 SIGNIFICANT ACCOUNTING POLICIES AND KEY ACCOUNTING ESTIMATES AND JUDGEMENTS

I. Statement of compliance

Consolidated Financial Statements have been prepared in accordance with the accounting principles generally accepted in India including Indian Accounting Standards (Ind AS) prescribed under the section 133 of the Companies Act, 2013 read with rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirement of

MINAL INDUSTRIES LIMITED

Notes to the Consolidated Financial Statements as at and for the year ended 31st March, 2020

Division II of Schedule III of the Companies Act 2013 , (Ind AS Compliant Schedule III),as applicable to Consolidated financial statement.

Accordingly, the Group has prepared these Consolidated Financial Statements which comprise the Consolidated Balance Sheet as at 31 March, 2020, the Statement of Consolidated Profit and Loss, the Statement of Consolidated Cash Flows and the Statement of Consolidated Changes in Equity for the year ended as on that date, and accounting policies and other explanatory information (together hereinafter referred to as “Consolidated Financial Statements” or “Consolidated financial statements”).

II. Basis of preparation of financial statements

The Consolidated Financial Statements have been prepared on the historical cost basis except for certain financial instruments measured at fair values at the end of each reporting year, as explained in the accounting policies below.

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 Group 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.

Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of Ind AS 102, leasing transactions that are within the scope of Ind AS 17, and measurements that have some similarities to fair value but are not fair value, such as net realizable value in Ind AS 2 or value in use in Ind AS 36.

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.

The Consolidated Financial Statement is presented in INR.

Current and non-current classification

The Group presents assets and liabilities in the Consolidated balance sheet based on current / non-current classification.

An asset is classified as current when it satisfies any of the following criteria:

- it is expected to be realized in, or is intended for sale or consumption in, the Group’s normal operating cycle. it is held primarily for the purpose of being traded;
- it is expected to be realized within 12 months after the reporting date; or
- it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

All other assets are classified as non-current.

A liability is classified as current when it satisfies any of the following criteria:

- it is expected to be settled in the Group’s normal operating cycle;
- it is held primarily for the purpose of being traded;

MINAL INDUSTRIES LIMITED

Notes to the Consolidated Financial Statements as at and for the year ended 31st March, 2020

- it is due to be settled within 12 months after the reporting date; or the Group does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

All other liabilities are classified as non-current.

III. Basis of Consolidation

The Consolidated Financial Statements incorporate the financial statements of the Holding Company and its subsidiaries. Control is achieved where the Holding Company:

- has power over the investee
- is exposed to, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns

The Holding Company reassess whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

Consolidation of a subsidiary begins when the Holding Company obtains control over the subsidiary and ceases when the Holding Company loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the Consolidated Statement of Profit or Loss and Consolidated Other Comprehensive Income from the date the Holding Company gains control until the date when the Parent Company ceases to control the subsidiary.

Consolidated Profit or loss and each component of consolidated other comprehensive income are attributed to the owners of the Holding Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Holding Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group's accounting policies.

All intra Group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

IV. Revenue Recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured, regardless of when the payment is being received. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment which flows to the Group on its own account but excluding taxes or duties collected on behalf of the government.

Revenue from sale of goods is recognised when the significant risks and rewards of ownership have been transferred to the buyer, recovery of the consideration is probable, the associated cost can be estimated reliably, there is no continuing effective control or managerial involvement with the goods, and the amount of revenue can be measured reliably.

Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates.

V. Other Income

Other income is comprised primarily of interest income. Interest income from financial assets is recognized when it is probable that the economic benefit will flow to the Group and the amount of income can be measured reliably. Interest income is accrued on time basis by reference to the principal outstanding and at the effective 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.

MINAL INDUSTRIES LIMITED

Notes to the Consolidated Financial Statements as at and for the year ended 31st March, 2020

VI. Foreign Currency Transactions

The functional currency of the Group and its subsidiaries is determined on the basis of the primary economic environment in which it operates. The functional currency of the Group is Indian Rupee (INR).

In preparing the Consolidated Financial Statements of each individual group entity, transactions in currencies other than the entity'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 recognised in Consolidated 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 transactions entered into in order to hedge certain foreign currency risks.
- exchange difference arising on settlement / restatement of long-term foreign currency monetary items recognized in the Consolidated Financial Statements upto March 31, 2016 prepared under previous GAAP, are capitalized as a part of the depreciable fixed assets to which the monetary item relates and depreciated over the remaining useful life of such assets. If such monetary items do not relate to acquisition of depreciable fixed assets, the exchange difference is amortised over the maturity period / upto the date of settlement of such monetary item, whichever is earlier and charged to the Consolidated Statement of Profit and Loss.

For the purposes of presenting these Consolidated Financial Statements, the assets and liabilities of the groups foreign operations are translated into INR using exchange rates prevailing at the end of each reporting period. Income and expense items are translated at the average exchange rates for the period, unless exchange rate fluctuate significantly during the period, in which case the exchange rates at the dates of the transaction are used. Exchange difference arising, if any, are recognised in Consolidated other comprehensive income and accumulated in equity.

VII. Borrowing Costs

Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs directly attributable to the acquisition, construction or production of qualifying asset are capitalised during the period of time that is necessary to complete and prepare the asset for its intended use or sale. Other borrowing costs are expensed in the period in which they are incurred and reported in finance costs.

VIII. Employee Benefits

The Group has following post-employment plans:

a) Defined benefit plans - gratuity

- i) The liability or asset recognised in the Consolidated balance sheet in respect of defined benefit gratuity plan is the present value of defined benefit obligations at the end of the reporting period. The defined benefit obligation is calculated annually by actuaries through actuarial valuation using the projected unit credit method.
- ii) The Group recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

MINAL INDUSTRIES LIMITED

Notes to the Consolidated Financial Statements as at and for the year ended 31st March, 2020

- Service costs comprising current service costs, past-service costs, gains and losses on curtailment and non-routine settlements
 - Net interest expense or income
- iii) The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and fair value of plan assets. This cost is included in employee benefit expenses in the statement of the profit & loss.
- iv) Re-measurement comprising of actuarial gains and losses arising from
- Re-measurement of Actuarial(gains)/losses
 - Return on plan assets, excluding amount recognized in effect of asset ceiling
 - Re-measurement arising because of change in effect of asset ceiling are recognised in the period in which they occur directly in other comprehensive income. Re-measurements are not reclassified to Statement of Consolidated Profit and Loss in subsequent periods.
- v) Ind AS 19 requires the exercise of judgment in relation to various assumptions including future pay rises, inflation and discount rates and employee and pensioner demographics. The Group determines the assumptions in conjunction with its actuaries, and believes these assumptions to be in line with best practice, but the application of different assumptions could have a significant effect on the amounts reflected in the Consolidated income statement, Consolidated other comprehensive income and Consolidated balance sheet. There may be also interdependency between some of the assumptions.

b) Short-term and other long-term employee benefits

- i) A liability is recognised 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.
- ii) Liabilities recognised 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.
- iii) Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Group in respect of services provided by employees up to the reporting date.

IX. Taxes

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

Current income tax

Current tax is the amount of tax payable based on the taxable profit 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 in the countries where the Group operates and generates taxable income.

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the Consolidated Financial Statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised 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 recognised 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 recognised 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 group 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

MINAL INDUSTRIES LIMITED

Notes to the Consolidated Financial Statements as at and for the year ended 31st March, 2020

such investments are only recognized to the extent that it is probable that there will be sufficient taxable profits against which the benefit of the temporary differences can be utilized 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.

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 Group will pay normal income tax. Accordingly, MAT is recognised as an asset in the Consolidated Balance Sheet when it is highly probable that future economic benefit associated with it will flow to the Group. The Group reviews the same at each balance sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that the Group will pay normal Income Tax during the specified period.

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.

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 period

Current and deferred tax are recognised in Consolidated Statement of Profit or Loss, except when they relate to items that are recognised in consolidated other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in consolidated other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

X. Property, Plant and Equipment

Property, plant and equipment are measured at acquisition cost less accumulated depreciation and accumulated impairment losses. Costs directly attributable to acquisition are capitalized until the property, plant and equipment are ready for use, as intended by Management. The Company depreciates property, plant and equipment over their estimated useful lives using the straight-line method as prescribed under Part C of schedule II of the Companies Act, 2013. Depreciation methods, useful lives and residual values are reviewed periodically, including at each financial year end. Leasehold land is amortized over the period of lease. The cost of an item of property, plant and equipment comprises of its purchase price including import duties and other non-refundable purchase taxes or levies, directly attributable cost of bringing the asset to its working condition for its intended use and the initial estimate of decommissioning, restoration and similar liabilities, if any. Any trade discounts and rebates are deducted in arriving at the purchase price.

Asset Category	Estimated Useful Life (In Years)
Factory Building	30
Building other than factory	60
Plant and Machinery	15
Computer and Printer	3
Office Equipment	5
Furniture and Fixture	3
Electric Fittings	3
Vehicle	8
Computer Software	10

The management believes that the estimated useful lives are realistic and reflects fair approximation of the period over which the assets are likely to be used. At each financial year end, management reviews the residual values, useful lives and method of depreciation of property, plant and equipment and values of the same are adjusted prospectively where needed.

The carrying amount of an item of property, plant and equipment is derecognized on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the de-recognition of an item of property, plant and

MINAL INDUSTRIES LIMITED

Notes to the Consolidated Financial Statements as at and for the year ended 31st March, 2020

equipment is measured as the difference between the net disposal proceeds and the carrying amount of the item and is recognized in the Statement of Profit and Loss when the item is derecognized.

The company has policy to expense out the assets which is acquired during the year and value of such assets is below ₹ 5000.

XI. Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost. Cost comprises the acquisition price, development cost and any attributable / allocable incidental cost of bringing the asset to its working condition for its intended use. The useful life of intangible assets is assessed as either finite or indefinite. All finite-lived intangible assets, are accounted for using the cost model whereby intangible assets are stated at cost less accumulated amortisation and impairment losses, if any. Intangible assets are amortised over the estimated useful economic life. Residual values and useful lives are reviewed at each reporting date.

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

When an intangible asset is disposed of, the gain or loss on disposal is determined as the difference between the proceeds and the carrying amount of the asset, and is recognised in the statement of profit and loss within 'other income' or 'other expenses' respectively.

XII. Impairment of Property, plant and equipment and intangible assets other than goodwill

At the end of each reporting period, the Group 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 Group 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.

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 recognised immediately in the Statement of Profit and Loss.

Any reversal of the previously recognised impairment loss is limited to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined if no impairment loss had previously been recognised.

XIII. Inventories

Inventories are valued after providing for obsolescence as follows:

- a) Raw material, stores & spares, packing material and fuels are valued at lower of cost and net realisable value. However, these items are considered to be realisable at cost, if the finished products, in which they will be used, are expected to be sold at or above cost.
- b) Work-in-progress and Finished Goods are valued at lower of cost and net realisable value. Cost of finished goods and work-in-progress include cost of direct material and labour and a proportion of manufacturing overheads based on the normal operating capacity but excluding borrowing cost.
- c) Waste/Scrap inventory is valued at net realisable value.
- d) Obsolete, defective and unserviceable stock is duly provided for wherever applicable.
- e) Costs of inventories are determined on weighted average basis. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

MINAL INDUSTRIES LIMITED

Notes to the Consolidated Financial Statements as at and for the year ended 31st March, 2020

XIV. Fair Value Measurement

The Group measures financial instruments at fair value in accordance with accounting policies at each reporting date. 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. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Group.

The fair value of asset or a liability is measured using the assumptions that market participants would use in pricing the asset or liability, assuming that market participant act in their economic best interest.

A fair value measurement of a non-financing asset takes into account a market participant's ability to generate economic benefit by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

XV. Financial Instruments

Financial assets

Initial recognition and measurement

Financial assets are recognised when the Group becomes a party to the contractual provisions of the instrument.

Subsequent measurement

On initial recognition, a financial asset is recognised at fair value, in case of Financial assets which are recognised at fair value through profit and loss (FVTPL), its transaction cost are recognised in the statement of profit and loss. In other cases, the transaction cost are attributed to the acquisition value of the financial asset.

Financial assets are subsequently classified as measured at:

- amortised cost.
- fair value through profit and loss (FVTPL).
- fair value through other comprehensive income (FVOCI).

Financial assets are not reclassified subsequent to their recognition, except if and in the period the Group changes its business model for managing financial assets.

Trade Receivables and Loans

Trade receivables are initially recognised at fair value. Subsequently, these assets are held at amortised cost, using the effective interest rate (EIR) method net of any expected credit losses. The EIR is the rate that discounts estimated future cash income through the expected life of financial instrument.

Financial liabilities

Initial recognition and measurement

MINAL INDUSTRIES LIMITED

Notes to the Consolidated Financial Statements as at and for the year ended 31st March, 2020

All financial liabilities are recognised initially at fair value and transaction cost that is attributable to the acquisition of the financial liabilities is also adjusted. These liabilities are classified as amortised cost.

Subsequent measurement

Subsequent to initial recognition, these liabilities are measured at amortised cost using the effective interest method. These liabilities include borrowings.

De-recognition of financial liabilities

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de- recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

XVI. Impairment of financial assets

In accordance with Ind AS 109, the Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss for financial assets.

ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive. When estimating the cash flows, the Group is required to consider –

- All contractual terms of the financial assets (including prepayment and extension) over the expected life of the assets.
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

Trade receivables

The Group applies approach permitted by Ind AS 109, financial instruments, which requires expected lifetime losses to be recognised from initial recognition of receivables.

Other financial assets

For recognition of impairment loss on other financial assets and risk exposure, the Group determines whether there has been a significant increase in the credit risk since initial recognition and if credit risk has increased significantly, impairment loss is provided.

XVII. Cash and Cash Equivalents

Cash and cash equivalent in the Balance Sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to insignificant risk of changes in value.

XVIII. Leases

The Group evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116 - Leases. Identification of a lease requires significant judgment and the Group uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

The Group determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Group is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Group is reasonably certain not to exercise that option. In assessing whether the Group is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Group to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Group revises the lease term if there is a change in the non-cancellable period of a lease. The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

Group as a lessee

The Group recognises right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling

MINAL INDUSTRIES LIMITED

Notes to the Consolidated Financial Statements as at and for the year ended 31st March, 2020

and removing the underlying asset or restoring the underlying asset or site on which it is located. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment.

Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the consolidated statement of profit and loss.

The Group measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Group uses incremental borrowing rate.

For leases with reasonably similar characteristics, the Group, on a lease by lease basis, may adopt either the incremental borrowing rate specific to the lease or the incremental borrowing rate for the portfolio as a whole. The lease payments shall include fixed payments, variable lease payments, residual value guarantees, exercise price of a purchase option where the Group is reasonably certain to exercise that option and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments.

The Group recognises the amount of the re-measurement of lease liability due to modification as an adjustment to the right-of-use asset and consolidated statement of profit and loss depending upon the nature of modification. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Group recognises any remaining amount of the re-measurement in consolidated statement of profit and loss.

The Group has elected not to apply the requirements of Ind AS 116 Leases to short-term leases of all assets that have a lease term of 12 months or less and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognized as an expense on a straight-line basis over the lease term.

XIX. Provisions, Contingent liabilities, Contingent assets and Commitments

Provisions are recognised when the Group 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.

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows to net present value using an appropriate pre-tax discount rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. Unwinding of the discount is recognised in the Consolidated Statement of Profit and Loss as a finance cost. Provisions are reviewed at each reporting date and are adjusted to reflect the current best estimate.

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

Claims against the Group where the possibility of any outflow of resources in settlement is remote, are not disclosed as contingent liabilities.

Contingent assets are not recognised in Consolidated Financial Statements since this may result in the recognition of income that may never be realised. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and is recognised.

MINAL INDUSTRIES LIMITED

Notes to the Consolidated Financial Statements as at and for the year ended 31st March, 2020

Onerous contracts

Present obligations arising under onerous contracts are recognised and measured as provisions. An onerous contract is considered to exist where the Group has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received from the contract.

XX. Earnings per Equity Share

Basic EPS is computed by dividing the net profit or loss after tax for the year attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year.

Diluted EPS is computed by dividing the net profit or loss for the year by the weighted average number of equity shares outstanding during the year as adjusted for the effects of all dilutive potential equity shares, except where the results are anti-dilutive.

1.3 Key accounting estimates and Judgments

The preparation of the Group's financial statements requires the management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the year in which the estimate is revised if the revision affects only that year, or in the year of the revision and future year, if the revision affects current and future year.

Critical accounting estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below:

i. Property, plant and equipment

Management reviews the useful lives of property, plant and equipment at least once a year. Such lives depend upon an assessment of both the technical lives of the assets and also their likely economic lives based on various internal and external factors including relative efficiency and operating costs. Accordingly, depreciable lives are reviewed annually using the best information available to the Management. In case of a revision, the unamortized depreciable amount is charged over the remaining useful life of the assets.

ii. Defined benefit plans

The cost of the defined benefit plan and other post-employment benefits and the present value of such obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and attrition rate. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

iii. Fair value measurement of financial instruments

When the fair values of financial assets or financial liabilities recorded or disclosed in the consolidated Financial Statements cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgements include consideration of inputs such as liquidity risk, credit risk and volatility

iv. Contingencies

In the normal course of business, contingent liabilities may arise from litigation and other claims against the Group. Potential liabilities that are possible but not probable of crystallising or are very difficult to quantify reliably are treated as contingent liabilities. Such liabilities are disclosed in the notes but are not recognized.

MINAL INDUSTRIES LIMITED

Notes to the Consolidated Financial Statements as at and for the year ended 31st March, 2020

1.4 Recent Accounting Pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from April 1, 2020.