TEXTILES LIMITED

Registered Office :
Surya Towers, Ground Floor
104 Sardar Patel Road
Secunderabad - 500 003
TELANGANA - India
TELEPHONE : 2784 8479 / 2784 4086
FACSIMILE : +91 40 2784 6849
Email : info@vijaytextiles.in
WEBSITE : www.vijaytextiles.in
CIN : L18100TG1990PLC010973

Dt : 04.09.2020

BSE Limited
P. J. Towers, Dalal Street
Mumbai - 400 001.

Dear Sir/ Madam,

Sub: 30th Annual Report .

Ref: Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Unit: Vijay Textiles Limited (Script Code: 530151).

With reference to the subject cited, please find enclosed 30th Annual Report of the Company pursuant to Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as sent to the shareholders for the ensuing 30th Annual General Meeting of the Company to be held on 29.09.2020.

This is for the information and records of the exchange, please.

Thanking you.

Yours faithfully,
For VIJAY TEXTILES LIMITED

VIJAY KUMAR GUPTA
MANAGING DIRECTOR
(DIN: 01050958)

Encl. as above

VIJAY TEXTILES LIMITED * SEC'BAD *

www.vijaytextiles.in

30TH ANNUAL REPORT 2019 - 2020

Furnishings...
Simply incredible!

Vijay
TEXTILES LTD.

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CORPORATE INFORMATION

BOARD OF DIRECTORS:

Shri Vijay Kumar Gupta	- Chairman and Managing Director
Shri Susheel Kumar Gupta	- Whole-time Director and Chief Financial Officer
Shri.M. Srikanth Reddy	- Independent Director
Smt. C.A. Alka Zanwar	- Independent Director
Shri C.A. Penmestsa Vikram	- Independent Director
Shri CA. Pankaj Kumar Trivedi	- Independent Director

COMPANY SECRETARY AND COMPLIANCE OFFICER

* Shri S. Nagarajan - *Resigned w.e.f. 31.08.2020

STATUTORY AUDITORS

M/s. Laxminiwas & Co.,
Chartered Accountants
402, 4th Floor, Moghul's Court,
Basheerbagh, Hyderabad – 500 001

INTERNAL AUDITORS

M/s. Sankaran & Krishnan,
Chartered Accountants,
Plot No: 80, Devi Residency,
Flat No:302, Telecom Nagar
Gachibowli, Hyderabad-500 032.

SECRETARIAL AUDITOR

S.S. Reddy & Associates
Practicing Company Secretaries
Plot No. 8-2-603/23/3 & 8-2-603/23, 15,
2nd Floor, HSR Summit, Banjara Hills, Road No. 10,
Beside No. 1 News Channel Office,
Hyderabad – 500034.

COST AUDITORS

M/S Nageshwara Rao & Co
Hyderabad

BANKERS:

State Bank of India
Industrial Finance Branch
Somajiguda, Hyderabad-500 082

Axis Bank Limited
Begumpet
Hyderabad-500 016

REGISTRARS &SHARE TRANSFER AGENTS

Aarthi Consultants Private Limited
1-2-285, Domalguda, Hyderabad-500 029

REGISTERED OFFICE

Surya Towers, Ground Floor
104, Sardar Patel Road, Secunderabad – 500 003
CIN: L18100TG1990PLC010973
EMAIL: info@vijaytextiles.in

AUDIT COMMITTEE

Shri M. Srikanth Reddy
Shri CA Penmetsa Vikram
Smt. CA Alka Zanwar
Shri CA Pankaj Kumar Trivedi

NOMINATION & REMUNERATION COMMITTEE

Shri M. Srikanth Reddy
Shri CA Penmetsa Vikram
Smt. CA Alka Zanwar
Shri CA Pankaj Kumar Trivedi

STAKEHOLDERS RELATIONSHIP COMMITTEE

Shri M. Srikanth Reddy
Shri CA Penmetsa Vikram
Smt. CA Alka Zanwar
Shri CA Pankaj Kumar Trivedi

CSR COMMITTEE:

Shri Vijay Kumar Gupta
Shri Susheel Kumar Gupta
Shri CA Penmestsa Vikram

LISTED AT	:	BSE Limited
ISIN	:	INE256G01033
WEBSITE	:	www.vijaytextiles.in
INVESTOR E-MAIL ID	:	info@vijaytextiles.in

FACTORY:

Survey No: 139 to 141 & 143
Rajapoor – 509 202, Rajapoor,
Mahaboobnagar, Telangana

WHOLESALE DEPOT:

Plot No: 46, Road No: 12, APIIC,
Kattedan, Hyderabad – 500077

RETAIL SHOW ROOMS:

1. Surya Towers, Ground Floor,
   104, Sardar Patel Road
   Secunderabad – 500003

2. D. No. 6-3-852/3, Near Lal
   Bungalow, Ameerpet,
   Hyderabad – 500016

3. D. No. 2-22-306/A/2, Plot No: 6 &
   7, Survey No: 178 & 179,
   Bhagyanagar Colony, Phase-II,
   Kukatpally, Hyderabad – 500072

4. D. No. 23-27/A, Survey No.127 &
   130/1, Kothapet, Dilsukhnagar,
   Hyderabad – 500060

5. D. No. 19-94/1, Survey No: 466,
   Housing Colony, A.S.Rao Nagar,
   Secunderabad – 500062

NOTICE OF THE 30TH ANNUAL GENERAL MEETING

NOTICE is hereby given that the 30th Annual General Meeting of Vijay Textiles Limited will be held on Tuesday, the 29th Day of September, 2020 at 01.00 P.M. through Video Conference (VC)/ Other Audio- Visual Means (OAVAM) to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements for the Financial Year ended 31st March, 2020 together with Cash Flow Statement and notes appended thereto together with the Directors' Report and Auditors' Report thereon.

2. To appoint a Director in the place of Shri Vijay Kumar Gupta (DIN: 01050958), who retires by rotation and being eligible, offers himself for re appointment.

SPECIAL BUSINESS:

3. RATIFICATION OF PAYMENT OF REMUNERATION TO THE COST AUDITOR FOR THE FINANCIAL YEAR 2020-2021:

To consider and if thought fit, to pass with or without modification(s), the following Resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 148(3) and all other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification (s) or re-enactments thereof, for the time being in force), and on recommendations of the Audit Committee and as approved by the Board of Directors, consent of the Members be and is here by accorded for payment of remuneration to M/s Nageswara Rao & Co, (Registration No.000332) Cost Accountants to conduct the audit of the cost records of the Company for the Financial Year ended 31st March, 2021 on a remuneration of Rs. 35,000/-(Rupees Thirty Five Thousand Only) plus out of pocket expenses and applicable taxes."

"RESOLVED FURTHER THAT the Board is hereby authorized to take all necessary steps as may be necessary to give effect to the above Resolution including filing of all such necessary documents as may be required in this regard."

For and behalf of the Board
Vijay Textiles Limited

Sd/-
Vijay Kumar Gupta
Chairman and Managing Director
(DIN: 01050958)

Date: 27.08.2020
Place: Secunderabad

NOTES:

1. In view of the continuing COVID-19 pandemic, the Ministry of Corporate Affairs ("MCA") has vide its Circular no. 20/2020 dated May 5, 2020 read with circulars dated April 8, 2020 and April 13, 2020 (collectively referred to as "MCA Circulars") permitted the holding of the Annual General Meeting ("AGM"), during the Calendar Year 2020 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 ("SEBI Listing Regulations") and MCA Circulars, the AGM of the Company is being held through VC/OAVM.

2. Since this AGM is being held pursuant to the MCA Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.

3. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.

4. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to at least 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.

5. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the Quorum under Section 103 of the Companies Act, 2013.

6. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at www.vijaytextiles.in. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited at www.bseindia. com. The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM) i.e. www.evotingindia.com.

7. Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 relating to the Special Business in the Notice is annexed hereto and forms part of this Notice.

8. The Register of Directors' and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013, the Register of Contracts or arrangements in which the directors are interested under Section 189 of the Companies Act, 2013, will be available for inspection to the Members electronically without any fee by the members from the date of circulation of this Notice up to the date of AGM. Members seeking to inspect such documents can send an email to info@vijaytextiles.in

9. Corporate Members are requested to send to the Company's Registrar & Transfer Agent, a duly certified copy of the Board Resolution authorizing their representative to attend and vote at the Annual General Meeting.

10. The Register of Members and Share Transfer Books of the Company will remain closed from 23.09.2020 to29.09.2020 (both days inclusive) for the purpose of AGM.

11. The Securities and Exchange Board of India has mandated submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in demat form are, therefore, requested to submit PAN details to the Depository Participants with whom they have demat accounts. Members holding shares in physical form can submit their PAN details to the Company/Registrar and Share Transfer Agents (M/s. Aarthi Consultants Pvt. Ltd.)

12. In consonance with the company's sustainability initiatives and Regulation 36 of the SEBI (LODR) Regulations, 2015, the company is sharing all documents with shareholders in the electronic mode, wherever the same has been agreed to by the shareholders. Further the Ministry of Corporate Affairs (vide circular nos. 17/2011 and 18/2011 dated April 21 and April 29, 2011 respectively), has undertaken a 'Green Initiative in Corporate Governance' and allowed companies to share documents with its shareholders through an electronic mode. Shareholders are requested to support this green initiative by registering/ updating their e-mail addresses for receiving electronic communications. Members holding shares in the same name under different ledger folios are requested to apply for consolidation of such folios and send the relevant share certificates to M/s. Aarthi Consultants Pvt. Ltd., Share Transfer Agents of the Company for their doing the needful.

13. As per SEBI Notification No. SEBI/LAD-NRO/ GN/2018/24 dated June 8, 2018 and further amendment vide Notification No. SEBI/LADNRO/GN/2018/49 dated November 30, 2018, w.e.f. April 1, 2019 the transfer of securities of listed companies shall not be processed unless the securities are held in the dematerialized form (Demat) with a depository. Hence, the members of the company are requested to dematerialize their shareholding to avail the benefits of dematerialization. Only the requests for transmission and transposition of securities in physical form, will be accepted by the RTA.

14. Members are requested to send their queries at least 10 days before the date of meeting so that information can be made available at the meeting.

15. In respect of shares held in physical mode, all shareholders are requested to intimate changes, if any, in their registered address immediately to the registrar and share transfer agent of the company and correspond with them directly regarding share transmission/transposition, Demat/Remat, change of address, issue of duplicate shares certificates, ECS and nomination facility.

16. In terms of Section 72 of the Companies Act, 2013, a member of the company may nominate a person on whom the shares held by him/her shall vest in the event of his/her death. Members desirous of availing this facility may submit nomination in prescribed Form-SH-13 to the company/RTA in case shares are held in physical form, and to their respective depository participant, if held in electronic form.

17. In compliance with the aforesaid MCA Circulars and SEBI Circular dated May 12, 2020, Notice of the AGM along with the Annual Report 2019-20 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/Depositories.

18. Since the AGM will be held through VC/OAVM, the Route Map is not annexed in this Notice.

19. Instructions for e-voting and joining the AGM are as follows:

A. THE INSTRUCTIONS FOR SHAREHOLDERS FOR REMOTE E-VOTING ARE AS UNDER:

I. In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, the Members are provided with the facility to cast their vote electronically, through the e-voting services provided by Central Depository Services (India) Limited (CDSL) on all the resolutions set forth in this Notice. The instructions for e-voting are given herein below. II. The remote e-voting period commences on Saturday, September 26, 2020 (9:00 a.m. IST) and ends on Monday, September 28, 2020 (5:00 p.m. IST). During this period, Members holding shares either in physical form or in dematerialized form, as on Saturday, September 19, 2020 i.e. cut off date, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. Those Members, who will be present in the AGM through VC/OAVM facility and have not cast their vote on the Resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system during the AGM.

III. The Members who have cast their vote by remote e-voting prior to the AGM may also attend/ participate in the AGM through VC/OAVM but shall not be entitled to cast their vote again.

IV. The voting rights of Members shall be in proportion to their shares in the paid-up equity share capital of the Company as on the cut-off date.

V. The details of the process and manner for remote e-voting are explained herein below:

(i) The shareholders should log on to the e-voting website www.evotingindia.com.

(ii) Click on Shareholders tab

(iii) Now Enter your User ID

a. For CDSL: 16 digits beneficiary ID,

b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,

c. Members holding shares in Physical Form should enter Folio Number registered with the Company

(iv) Next enter the Image Verification as displayed and Click on Login.

(v) 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.

(vi) If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) • Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. • In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the Company records in order to login. • If both the details are not recorded with the depository or Company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iii).

(vii) After entering these details appropriately, click on "SUBMIT" tab.

(viii) 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.

(ix) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(x) Click on the EVSN for the relevant on which you choose to vote.

(xi) 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.

(xii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

(xiii) 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.

(xiv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

(xv) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.

(xvi) If a demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xvii) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.

B. INSTRUCTIONS FOR SHAREHOLDERS FOR E-VOTING DURING THE AGM ARE AS UNDER:

(i) The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for Remote e-voting.

(ii) Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.

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

C. NOTE FOR NON – INDIVIDUAL SHAREHOLDERS AND CUSTODIANS:

(i) 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.

(ii) A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@ cdslindia.com.

(iii) After receiving the login details 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. (iv) The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.

(v) A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

(vi) Alternatively Non-Individual shareholders are required to send the relevant Board Resolution/Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer at the email address ssrfcs@gmail.com and to the Company at the email address viz; info@vijaytextiles.in, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

D. PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL ADDRESSES ARE NOT REGISTERED WITH THE DEPOSITORIES FOR OBTAINING LOGIN CREDENTIALS FOR E-VOTING:

(i) For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self- attested scanned copy of Aadhar Card) by email to Company/RTA email id.

(ii) For Demat shareholders, please provide Demat account detials (CDSL-16 digit beneficiary ID or NSDL-16 digit DPID + CLID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self- attested scanned copy of Aadhar Card) to Company/RTA email id.

(iii) The company/RTA shall co-ordinate with CDSL and provide the login credentials to the above mentioned shareholders.

E. INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

(i) Shareholder will be provided with a facility to attend the EGM/AGM through VC/ OAVM through the CDSL e-Voting system. Shareholders may access the same at https:// www.evotingindia.com under shareholders/ members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVSN of Company will be displayed.

(ii) Shareholders are encouraged to join the Meeting through Laptops/IPads for better experience.

(iii) Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.

(iv) 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 WiFi or LAN Connection to mitigate any kind of aforesaid glitches.

(v) Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance at least 5 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at company email id viz; info@vijaytextiles.in . The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance 10 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at (company email id). These queries will be replied to by the company suitably by email.

20. 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. All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Manager, (CDSL,) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia. com or call 1800225533.

21. Mr. S. Sarveswar Reddy, Practicing Company Secretary, bearing C.P. Number 7478 has been appointed as the Scrutinizer to scrutinize the e-voting process. The Scrutinizer shall, immediately after the conclusion of voting at the AGM, first count the votes cast during the AGM, thereafter unblock the votes cast through remote e-voting and make, not later than 48 hours of conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing, who shall countersign the same.

23. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website www.vijaytextiles.in and on the website of CDSL within two (2) days of passing of the resolutions at the AGM of the Company and communicated to the BSE Limited.

For and behalf of the Board
Vijay Textiles Limited

Sd/-
Vijay Kumar Gupta
Chairman and Managing Director
(DIN: 01050958)

Date: 27.08.2020
Place: Secunderabad

EXPLANATORY STATEMENT

PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013

ITEM NO: 3

RATIFICATION OF PAYMENT OF REMUNERATION TO THE COST AUDITOR FOR THE FINANCIAL YEAR 2020-2021:

The Board of Directors in their meeting held on July 31, 2020, on the recommendation of the Audit Committee, has approved the appointment of M/s. Nageswara Rao & Co (Registration No.000332), Cost Accountants as Cost Auditors of the Company for the financial year ending 31st March, 2021 to conduct the audit of cost records and fixed their remuneration at Rs. 35,000/- (Rupees thirty-five thousand only) plus out of pocket expenses and applicable taxes etc.

As per the provisions of Section 148 of the Act read with the Companies Act, 2013 and as per the Rule 14 of Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors has to be subsequently approved by the shareholders of the Company.

Accordingly, the Board of Directors recommends the passing of the above Resolution as an Ordinary Resolution set out in the item no. 3 of the notice for ratification of payment of remuneration payable to the Cost Auditors for the financial year ending 31st March, 2021.

None of the Directors/ Key Managerial Personnel and their relatives of the Company is, in any way, concerned or interested, financially or otherwise, in the Resolution.

For and behalf of the Board
Vijay Textiles Limited

Sd/-
Vijay Kumar Gupta
Chairman and Managing Director
(DIN: 01050958)

Date: 27.08.2020
Place: Secunderabad

As required under regulation 36 (3) of the SEBI (LODR), Regulations, 2015, brief particulars of the Directors seeking appointment/re-appointment are given as under:-:

Name of the Director	Shri Vijay Kumar Gupta
Date of Birth	03.02.1950
Qualification	Degree in Commerce
Expertise in specific functional areas	Joined with his father in textile business at a very young age and has now got a core experience of around 54 years in the industry. He has a strong business acumen and is the mainstay of the Company in bringing it to its present stature
Names of Listed entities in which the person also holds the Directorship and the membership of Committees of the board	NIL
Shareholding of non-executive Directors.	NIL
No. of Shares held in the Company As on 31.03.2020	59,48,016 Equity Shares of the Company and 10,20,830 Equity Shares as HUF.
Inter se relationship with any Director	Shri Susheel Kumar Gupta, Executive Director is son of Shri Vijay Kumar Gupta.

BOARDS' REPORT

Dear Members,

Your Directors have pleasure in presenting the Directors' Report and the Audited Statement of Accounts of the Company for the Financial Year ended 31st March 2020.

FINANCIAL SUMMARY/HIGHLIGHTS, OPERATIONS STATE OF AFFAIRS:

The performance of the Company during the year has been as under:

Particulars	(Rs. In Lakhs)	
	2019-2020	2018-2019
Total Revenue from operations	6629.99	9,590.09
Total Expenses	7093.54	9,375.72
Profit/(Loss) Before Tax	(463.55)	214.37
Less: Taxation	-	-
a) Current Tax	-	49.56
a. Deferred Tax	112.71	(136.67)
Profit / (Loss) After Tax	(576.26)	301.48
Other Comprehensive Income	1.70	2.77
Total profit/(Loss) for the period	(574.56)	304.25
Earning per Equity Share- Basic & Diluted (in Rs.)	(3.76) & (2.91)	1.99 & 1.54

REVIEW OF OPERATIONS:

During the year under review, revenuefrom operations and other income was reported at Rs. 6629.99Lakhs and incurred loss of Rs.576.26 Lakhs as compared to revenue from operations and other income of Rs. 9590.09 Lakhs and net profit of Rs. 304.25 Lakhs in the previous financial year.

PERFORMANCE AND FUTURE OUTLOOK

Your Company has reported losses during the year under review. With increased focus on its exclusive range of embroidered Furnishing Fabrics and Bed-Linen, your Company has been able to seize more market share in the contemporary segments and thus has optimised utilisation of the production capacities to its potential. Your Company has made foray in to new markets, identified new customers and thus have added to its repertoire of large number of dealers on pan India basis. These efforts have lent momentum to its synergies in increasing its

top line and shall translate in to more emphatic results in the ensuing financial year.

Your Company has successfully procured orders from TSCO Handlooms (The Telangana State Handloom Weavers Cooperative Society) a state government undertaking for processing of fabrics on job work basis, since TSCO Handlooms have approved the manufacturing facility of the Company for meeting its stringent standards for processing of fabrics. As a result, your Company has received orders to the tune of about 34 Lakh meters of fabrics in the initial phase, samples for which were approved by TSCO Handlooms recently. Further your Company expects to receive substantial orders from TSCO Handlooms during the current financial year. In the prevalent circumstances due to outbreak of COVID 19 Pandemic, which has impacted the its business considerably, your Company plans to go for expanding the scope of undertaking job work at its textile processing facility in a big way that will help in augmenting its revenues to a great extent. Your Company has received enquiries from other quarters as well and is in the process of finalising new orders from these sources in due course.

IMPACT OF COVID-19 ON THE OPERATIONS OF THE COMPANY

You are well aware that COVID 19 Pandemic has caused considerable damage to business and industry in general and your Company in particular. Due to outbreak of pandemic and consequent lockdowns imposed by the government, your Company's manufacturing facility at Rajapur remained closed for operations from 23 March 2020 till 14 May 2020. It reopened only after the government relaxed the conditions of lockdown operations. Upon recommencement of factory operations, the unit has been operating at 70% capacity. Your Company has introduced SOPs like social distancing, temperature screening and provision of masks and sanitising facilities to workers in line with the guidelines in force. However, your Company has not faced any issue of migrant labour as it mostly employs work force from surrounding villages. Your Company is receiving regular orders from its dealers and added job work facility to its repertoire as stated above in order to sustain its operations. Though the pandemic will only decide the course of things to come in future as far as business and industry is concerned, your Company remains optimistic and hopes to streamline its operations in the near future and expect to improve its business in a steady manner.

CHANGE IN THE NATURE OF THE BUSINESS, IF ANY:

During the period under review and the date of Board's Report there was no change in the nature of Business.

SHARE CAPITAL

The Authorised Share Capital of the Company stands at Rs. 20,30,00,000/- and the Paid-up Share Capital of the Company is as follows:

As on 31st March 2020	Rs. 15,29,00,000 /- divided into 1,52,90,000 Equity Shares of Rs.10/- each.
As on 27th August 2020 (Date of Board's Report)	Rs. 18,30,50,000/- divided into 1,83,05,000 Equity Shares of Rs. 10/- each.

There were 49,30,000 outstanding convertible warrants allotted to the promoters and non-promoter allottees out of which 19,15,000 convertible warrants allotted to the allottees were forfeited due to non-exercising the option to convert the warrants into equity shares.

RESERVES

During the year your Company has not transferred any amount to General Reserve Account.

DIVIDEND

Considering the losses incurred by the Company during the year, your Directors have decided not to recommend dividend for the year.

UNPAID / UNCLAIMED DIVIDEND

In terms of the provisions of the Companies Act, the Company is obliged to transfer dividends which remain unpaid or unclaimed for a period of seven years from the declaration to the credit of the Investor education and Protection Fund established by the Central Government.

Company in respect of any amount of dividend remaining unclaimed/unpaid for a period of seven (7) years from the dates of they become due for payment. Members who have not claimed the dividends declared for the financial year 31st March, 2018 are requested to lodge their claim immediately with the Company's Registrar and Transfer Agents at the address mentioned in the Annual Report. The Company has already send reminders to all such members at their registered address in this regard. Further, as per Section 124(6) of the Act read with IEPF Rules, all shares in respect of which dividend has not been paid or claimed for seven (7) consecutive years has to be transferred, under sub-Section 5 of the Act, to the IEPF Suspense Account (in the name of the Company) with one of the Depository Participants as may be identified by the IEPF Authority, within thirty (30) days of such shares becoming due to be transferred to the IEPF. However, proviso to Sub-Section 6 provides that the shares transferred to the IEPF can be claimed by the concerned shareholders(s) from IEPF Authority after complying with the procedure prescribed under the IEPF Rules.

INVESTOR EDUCTION AND PROTECTION FUND (IEPF):

In terms of the provisions of the Companies Act, the Company is obliged to transfer dividend which remains unpaid or unclaimed for a period of seven years from its declaration to the Investor Education and Protection Fund established by the Central Government.

Accordingly, the Company has transferred the unclaimed dividend required to be transferred to IEPF and equity shares thereon.

However, proviso to Sub-Section 6 provides that the shares transferred to the IEPF can be claimed by the concerned shareholders(s) from IEPF Authority after complying with the procedure prescribed under the IEPF Rules.

The details of Dividend of earlier years remain unclaimed by the shareholders as on 31.03.2020 are as given below:

Financial Year	Date of Declaration of Dividend	Last Date of Claiming Dividend	Unclaimed amount as on 31.03.2020 (in Rs.)	Due date for transfer to Investor Education and Protection Fund (IEPF)
2017-2018	28.09.2018	28.10.2018	1,42,212/-	03.11.2025

DETAILS OF NODAL OFFICER

Mr. S. Nagarajan, Company Secretary and Compliance Officer of the company is designated as Nodal Officer.

SHARES TRANSFERRED TO INVESTOR EDUCATION AND PROTECTION FUND

No shares were transferred to the Investor Education and Protection Fund during the year under review.

MATERIAL CHANGES & COMMITMENT AFFECTING THE FINANCIAL POSITION OF THE COMPANY:

There are no major material changes and commitments affecting the financial position of the Company after the end of the financial year and up to date of this report 27th August,2020.However the paid-up share capital of the Company has been increased to Rs,18,30,50,000/- divided into 1,83,05,000 Equity Shares of Rs.10/- each consequent upon allotment of 30,15,000 Equity Shares. The said allotment has been made on 8th June,2020 by conversion of warrants to the Promoters at a price of Rs.80/- per share including premium of Rs.70/- per share.

BOARD MEETINGS:

The Board of Directors duly met Five (5) times during the year under review. The dates on which the meetings were held are 27.05.2019, 24.07.2019, 12.08.2019, 14.11.2019, and 12.02.2020.

APPOINTMENT / RE-APPOINTMENT / RESIGNATION / RETIREMENT OF DIRECTORS /CEO/ CFO AND KEY MANANGERIAL PERSONNEL:

- Shri Vijay Kumar Gupta retires by rotation and being eligible offers himself for re-appointment.

DECLARATION FROM INDEPENDENT DIRECTORS ON ANNUAL BASIS:

The Company has received declarations from Shri M. Srikanth Reddy, Mrs. Alka Zanwar, Mr. Pankaj Kumar Trivedi and Mr. Penmetsa Vikram, Independent Directors of the Company to the effect that they are meeting the criteria of independence as provided in Sub-Section (6) of

Section 149 of the Companies Act, 2013 and Regulation 25 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Further, the Company has also received declarations from the independent directors to the effect that they have complied with the Code of Conduct of Independent Directors as prescribed in Schedule IV of the Companies Act, 2013.

FAMILIARIZATION PROGRAM FOR INDEPENDENT DIRECTORS:

Independent Directors are familiarized about the Company's operations and businesses. Interaction with the Business heads and key executives of the Company is also facilitated. Detailed presentations on important policies of the Company is also made to the Directors. Direct meetings with the Chairman are further facilitated to familiarize the incumbent Director about the Company/its businesses and the group practices.

The details of familiarisation programme held in FY 2019-2020 are also disclosed on the Company's website at https://www.vijaytextiles.in

PROFICIENCY OF DIRECTORS

All the Independent Directors of the Company are registered with the Independent Directors Database maintained by the Indian Institute of Corporate Affairs, Haryana and all the Independent Directors, except Mr. M. Srikanth Reddy who is exempted from appearing the common proficiency test, have appeared and qualified the proficiency test.

POLICY ON DIRECTOR'S APPOINTMENT AND REMUNERATION AND OTHER DETAILS:

The assessment and appointment of Members to the Board is based on a combination of criterion that includes ethics, personal and professional stature, domain expertise, gender diversity and specific qualification required for the position. The potential Board Member is also assessed on the basis of independence criteria defined in Section 149(6) of the Companies Act, 2013 and Regulation 27 of SEBI (LODR) Regulations, 2015.

In accordance with Section 178(3) of the Companies Act, 2013, Clause 49 (IV) (B) of the Listing Agreement and Regulation 19(4) of SEBI (LODR) Regulations, 2015, on the recommendations of the Nomination and Remuneration Committee, the Board adopted a remuneration policy for Directors, Key Management Personnel (KMPs) and Senior Management. The Policy is attached as an Annexure to the Corporate Governance Report.

NON-EXECUTIVE DIRECTORS' COMPENSATION AND DISCLOSURES:

None of the Independent / Non-Executive Directors has any pecuniary relationship or transactions with the Company which in the Judgment of the Board may affect the independence of the Directors.

BOARD EVALUATION

The Nomination and Remuneration Committee lays down the criteria for performance evaluation of independent directors, Board of Directors and Committees of the Board.

The criteria for performance evaluation is based on the parameters like attendance and participation at the meetings of the Board and Committees thereof, contribution to strategic decision making, review of financial statements, business performance.

The evaluation of Board of Directors is performed by the Board after seeking all the inputs from the Directors and the Board Committees by seeking inputs from the Committee members.

The performance evaluation of the individual directors is done by the Nomination and Remuneration Committee.

The performance evaluation of non-independent directors, the Board as a whole and the Chairman is done by a separate meeting of Independent directors after taking inputs from the Executive directors.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement of Section 134(3)(C) and 134(5) of the Companies Act, 2013 and on the basis of explanation given by the executives of the Company and subject to disclosures in the Annual Accounts of the Company from time to time, we state as under:

1. That in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;

2. That the Directors have selected such accounting policies and applied them consistently and made judgment and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for that period;

3. That the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

4. That the Directors have prepared the annual accounts on a going concern basis:

5. That the Directors have lain down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and

6. That the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

INFORMATION ABOUT THE FINANCIAL PERFORMANCE / FINANCIAL POSITION OF THE SUBSIDIARIES / ASSOCIATES/ JOINT VENTURES:

During the year under review, the Company does not have any subsidiaries, joint ventures or associate Companies.

EXTRACT OF ANNUAL RETURN:

As required pursuant to Section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014, an extract of Annual Return in MGT 9 is a part of this Annual Report in enclosed as **Annexure-I**.

STATUTORY AUDITORS:

The members of the Company in accordance with Section 139 of the Companies Act, 2013 had passed a Resolution for appointment of M/s. Laxminiwas& Co., as Statutory Auditors of the Company for a period of 4 years in the AGM held on 26.09.2017 to hold office up to the conclusion of 31st Annual General Meeting of the Company to be held in the year 2021 which was subject to ratification as per the provisions of Companies Act, 2013.

However, pursuant to notification from the MCA dated 07.05.2018, ratification of appointment of statutory auditors at every Annual General Meeting has been dispensed with.

DETAILS IN RESPECT OF FRAUDS REPORTED BY AUDITORS UNDER SUB SECTION (12) OF SECTION 143 OTHER THAN THOSE WHICH ARE REPORTABLE TO THE CENTRAL GOVERNMENT:

There have been no frauds reported by the Auditors Under Section 143(12).

INTERNAL AUDITORS:

Pursuant to the provisions of Section 138 of the Companies read with rules made there under, the Board has appointed M/s. Sankaran & Krishnan, Chartered Accountants as Internal Auditors of the Company for the financial year 2019-2020.

DISCLOSURE ABOUT COST AUDIT:

As per Section 148 of the Companies Act, 2013 read with Rules framed there under M/s Nageswara Rao & Co (Registration No. 000332) Cost Accountants were appointed as Cost Auditors of the Company for the financial year ending 31st March, 2020.

SECRETARIAL AUDITOR:

Pursuant to the provisions of Section 134(3) (f) & Section 204 of the Companies Act, 2013, the Board has appointed M/s. S.S. Reddy & Associates, Practicing Company Secretaries to undertake Secretarial Audit of the Company for financial year ending 31.03.2020. The report of the Secretarial Auditor is enclosed herewith vide **Annexure-II** of this Report.

QUALIFICATIONS IN AUDIT REPORTS:

Explanations or comments by the Board on every qualification, reservation or adverse remark or disclaimer made—

(a) Statutory Auditors Report:

The Board has duly reviewed the Statutory Auditor's Report on the Accounts for the year ended 31st March, 2020 and has noted that the same does not have any reservation, qualification or adverse remarks. However, the Board decided to further strengthen the existing system and procedures to meet all kinds of challenges and growth in the market expected in the coming years.

(b) Secretarial Audit Report:

The Board has duly reviewed the Secretarial Audit Report for the year ended 31st March, 2020 on the Compliances according to the provisions of Section 204 of the Companies Act 2013, and the same does not have any reservation, qualifications or adverse remarks.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:

The Company has not given loans, Guarantees or made any investments during the year which attracts the provisions of Section 186 of the Companies Act, 2013.

RELATED PARTY TRANSACTIONS:

All related party transactions that were entered into during the financial year were on arm's length basis and were in the ordinary course of business. There were no material significant related party transactions made by the Company with the Promoters, Directors, Key Managerial Personnel or the Senior Management which may have a potential conflict with the interest of the Company at large.

All related party transactions were placed before the Audit Committee/Board for approval. Prior approval of the Audit Committee was obtained for the transactions which are foreseen and are in repetitive in nature.

None of the Directors have any pecuniary relationship or transactions with the Company, except payments made to them in the form of remuneration, rent, sitting fees and interest on unsecured loans.

The Company has not entered into any contracts/arrangements with related parties referred to Section 188(1) of the Companies Act, 2013 nor at armlength basis during the year. The details of the related party transactions disclosed herewith in Form AOC-2 in **Annexure - III**

CORPORATE SOCIAL RESPONSIBILITY (CSR, COMPOSITION OF CSR COMMITTEE AND CONTENTS OF CSR POLICY):

The Corporate Social Responsibility Committee, formed under Section 135 of the Companies Act, 2013, comprises of 3 members with One Independent Director and two Executive Directors.

Composition

Name of the Director	Designation	Category
Shri. Vijay Kumar Gupta	Chairman	Managing Director
Shri. Susheel Kumar Gupta	Member	Whole-Time Director
Shri. C.A. Penmestsa Vikram	Member	Independent, Non-Executive

Brief description of Terms of Reference:

- To formulate and recommend to the Board, a Corporate Social Responsibility (CSR) Policy indicating activities to be undertaken by the Company in compliance with provisions of the Companies Act, 2013 and rules there under.
- To recommend the amount of expenditure to be incurred on the CSR activities.
- To monitor the implementation of the framework of the CSR policy.
- To observe corporate governance practices at all levels and to suggest remedial measures wherever necessary.

To carry out any other function as is mandated by the Board from time to time and/or enforced by any statutory notification, amendment or modification as may be applicable or appropriate for performance of its duties. The report on CSR activities is given as **Annexure IV.**

NAMES OF THE COMPANIES WHICH HAVE BECOME OR CEASED TO BE ITS SUBSIDIARIES, JOINT VENTURES OR ASSOCIATE COMPANIES DURING THE YEAR:

During the year under review no Company has become or ceased to become its subsidiaries, joint ventures or associate Company.

DISCLOSURE OF PARTICULARS WITH RESPECT TO CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:

The particulars as prescribed under Section 134(3) (m) of the Companies Act, 1956, read with Companies (Accounts) Rules, 2014 are enclosed as **Annexure V.**

COMMITTEES:

(I). AUDIT COMMITTEE:

The Audit Committee of the Company is constituted in line with the provisions of Regulation 18(1) of SEBI (LODR) Regulations with the Stock Exchanges read with Section 177 of the Companies Act, 2013 are included in the Corporate Governance report, which forms part of this report.

(II). NOMINATION AND REMUNERATION COMMITTEE:

The Nomination and Remuneration Committee of the Company is constituted in line with the provisions of Regulation 19(1) of SEBI (LODR) Regulations with the Stock Exchanges read with Section 178 of the Companies Act, 2013 are included in the Corporate Governance report, which forms part of this report.

(III). STAKEHOLDERS RELATIONSHIP COMMITTEE:

The Stakeholders Relationship Committee of the Company is constituted in line with the provisions of Regulation 20 of SEBI (LODR) Regulations with the Stock Exchanges read with Section 178 of the Companies Act, 2013 are included in the Corporate Governance report, which forms part of this report.

VIGIL MECHANISM/WHISTLE BLOWER POLICY:

In pursuant to the provisions of Section 177(9) & (10) of the Companies Act, 2013 read with Regulation 22 of SEBI (LO&DR) Regulations, 2015, a vigil Mechanism for Directors and employees to report genuine concerns has been established. It also provides for necessary safeguards for protection against victimization for whistle blowing in good faith.

Vigil Mechanism Policy has been established by the Company for Directors and employees to report genuine concerns pursuant to the provisions of Section 177(9) & (10) of the Companies Act, 2013 read with Regulation 22 of SEBI (LO&DR) Regulations, 2015. The same has been placed on the website of the Company.

PUBLIC DEPOSITS:

Your Company has not accepted any deposits falling within the meaning of Sec 73, 74 & 76 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules 2014, during the financial year under review.

The Company has accepted unsecured loans under the Chapter V of the Companies Act, 2013 from the Promoter Directors during the financial year 2019-2020 and have obtained necessary declaration from them confirming that the funds invested by way of unsecured loans in the Company during the said financial year were neither acquired by borrowing or from accepting loans or deposits from others.

SIGNIFICANT & MATERIAL ORDERS PASSED BY COURTS / REGULATORS / TRIBUNALS:

There are no significant and material orders passed by the regulators /courts that would impact the going concern status of the Company and its future operations.

DISCLOSURE OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS:

The Internal Financial Controls with reference to financial statements as designed and implemented by the Company are adequate. The Company maintains appropriate system of internal control, including monitoring procedures, to ensure that all assets are safeguarded against loss from unauthorized use or disposition. Company policies, guidelines and procedures provide for adequate checks and balances, and are meant to ensure that all transactions are authorized, recorded and reported correctly.

During the period under review, there is no material or serious observations have been noticed for inefficiency or inadequacy of such controls.

INSURANCE:

The properties and assets of your Company are adequately insured.

CREDIT & GUARANTEE FACILITIES:

The Company has availed Working Capital facilities and Term Loan from Banks. The Company has also given counter guarantee to bankers for obtaining Bank Guarantee.

STATEMENT SHOWING THE NAMES OF THE TOP TEN EMPLOYEES IN TERMS OF REMUNERATION DRAWN AND THE NAME OF EVERY EMPLOYEE AS PER RULE 5(2) & (3)OF THE COMPANIES(APPOINTMENT & REMUNERATION) RULES, 2014:

A table containing the particulars in accordance with the provisions of Section 197(12) of the Act, read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is appended as **Annexure VI** to this Report.

A statement showing the names of the top ten employees in terms of remuneration drawn and the name of every employee is annexed to this Annual report as **Annexure VII**

During the year NONE of the employees is drawing a remuneration of Rs.1,02,00,000/- and above per annum or Rs.8,50,000/- and above in aggregate per month, the limits specified under the Section 197(12) of the Companies Act,2013 read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

RATIO OF REMUNERATION TO EACH DIRECTOR:

Under section 197(12) of the Companies Act, 2013, and Rule 5(1) (2) & (3) of the Companies (Appointment & Remuneration) Rules, 2014 read with Schedule V of the Companies Act, 2013 the ratio of remuneration of Mr. Vijay Kumar Gupta and Mr. Susheel Kumar Gupta, Managing Director and Whole-time Director of the Company to the median remuneration of the employees is 24.02:1 respectively.

CORPORATE GOVERNANCE AND SHAREHOLDERS INFORMATION:

The Company has implemented all of its major stipulations as applicable to the Company. As stipulated under Regulation 34 read with Schedule V of SEBI (LODR) Regulations, 2015, a report on Corporate Governance duly audited is appended as **Annexure VIII** for information of the Members. A requisite certificate from the Auditors of the Company confirming compliance with the conditions of Corporate Governance is attached to the Report on Corporate Governance.

MANAGEMENT DISCUSSIONS AND ANALYSIS REPORT:

The Management Discussion and Analysis Report, pursuant to the SEBI (LODR) Regulation appended as **Annexure IX** for information of the Members.

POLICIES:

The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 mandated the formulation of certain policies for all listed companies. All the policies are available on our website (https:// www.vijaytextiles.com/investors/ policies). The policies are reviewed periodically by the Board and updated based on need and new compliance requirement.

Name of the policy	Brief Description	Website link
Board Diversity Policy	At Vijay Textiles Limited, we believe that a truly diverse board will leverage differences in thought, perspective, knowledge, skill, regional and industry experience, cultural and geographical background, age, ethnicity, race and gender, which will help us retain our competitive advantage. The Board has adopted the Board Diversity Policy which sets out the approach to diversity of the Board of Directors.	https://www.vijaytextiles.com/investors/Policies/board-diversity-policy.pdf
Nomination and Remuneration Policy	This policy formulates the criteria for determining qualifications, competencies, positive attributes and independence for the appointment of a director (executive / non-executive) and also the criteria for determining the remuneration of the Directors, key managerial personnel and other employees.	https://www.vijaytextiles.com/investors/Policies/Nomination& Remuneration Policy.pdf
Corporate Social Responsibility Policy	The policy is framed to outline the formation of the committee which directs the Company in implementing the programs relating to education and any other program as the Board may think fit.	https://www.vijaytextiles.com/investors/Policies/corporatesocial responsibility policy.pdf
Related Party Transaction Policy	The policy regulates all transactions between the Company and its related parties	https://www.vijaytextiles.com/investors/Policies/Related Party transaction policy.pdf

ENVIRONMENTS AND HUMAN RESOURCE DEVELOPMENT:

Your Company always believes in keeping the environment pollution free and is fully committed to its social responsibility. The Company has been taking upmost care in complying with all pollution control measures from time to time strictly as per the directions of the Government.

We would like to place on record our appreciation for the efforts made by the management and the keen interest shown by the Employees of your Company in this regard.

STATUTORY COMPLIANCE:

The Company has complied with the required provisions relating to statutory compliance with regard to the affairs of the Company in all respects.

DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at workplace (Prevention, Prohibition and Redressal) Act, 2013. Internal Complaint Committee (ICC) has been set up to redress complaints received regarding sexual harassment.

Committee:

Name	Designation
N. Mrunalini	Presiding Officer
D. Sarada Sri Malini	Member
S. Nagarajan	Member
Dasaripalla Joji	External Member

All employees are covered under this policy. During the year 2019-2020, there were no complaints received by the Committee.

CODE OF CONDUCT FOR THE PREVENTION OF INSIDER TRADING:

The Board of Directors has adopted the Insider Trading Policy in accordance with the requirements of the SEBI (Prohibition of Insider Trading) Regulation, 2015 and Amended Regulations 2018. The Insider Trading Policy of the Company lays down guidelines and procedures to be followed, and disclosures to be made while dealing with shares of the Company, as well as the consequences of violation. The policy has been formulated to regulate, monitor and ensure reporting of deals by employees and to maintain the highest ethical standards of dealing in Company securities.

The Insider Trading Policy of the Company covering code of practices and procedures for fair disclosure of unpublished price sensitive information and code of conduct for the prevention of insider trading, is available on our website (https:// www.vijaytextiles.com /investors/insider-trading-policy.pdf).

SECRETARIAL STANDARDS

The Company is in compliance with the applicable secretarial standards.

EVENT BASED DISCLOSURES

During the year under review, the Company has not taken up any of the following activities:

1. Issue of sweat equity share: NA

2. Issue of shares with differential rights: NA

3. Issue of shares under employee's stock option scheme: NA

4. Disclosure on purchase by Company or giving of loans by it for purchase of its shares: NA

5. Buy back shares: NA

6. Disclosure about revision: NA

CORPORATE INSOLVENCY RESOLUTION PROCESS INITIATED UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016.

No corporate insolvency resolution processes were initiated against the Company under the Insolvency and Bankruptcy Code, 2016, during the year under review.

FAILURE TO IMPLEMENT CORPORATE ACTIONS:

During the year under review, no corporate actions were done by the Company.

CEO/ CFO CERTIFICATION:

The Managing Director cum CEO and CFO certification of the financial statements for the year 2019-2020 is annexed in this Annual Report.

ACKNOWLEDGEMENTS:

Your Directors wish to place on record their appreciation of the contribution made by the employees at all levels, to the continued growth and prosperity of your Company. Your Directors also wish to place on record their appreciation of business constituents, banks and other financial institutions and shareholders of the Company for their continued support for the growth of the Company.

The Insider Trading Policy of the Company covering code of practices and procedures for fair disclosure of unpublished price sensitive information and code of conduct for the prevention of insider trading, is available on our website (https:// www.vijaytextiles.com /investors/insider-trading-policy.pdf).

For and behalf of the Board
Vijay Textiles Limited

Sd/-
Vijay Kumar Gupta
Chairman and Managing Director
(DIN: 01050958)

Date: 27.08.2020
Place: Secunderabad

ANNEXURE -I

FORM NO. MGT – 9

EXTRACT OF ANNUAL RETURN

as on the financial year ended on 31st March, 2020

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

I. REGISTRATION AND OTHER DETAILS:

i)	CIN	L18100TG1990PLC010973
ii)	Registration Date	02-02-1990
iii)	Name of the Company	Vijay Textiles Limited
iv)	Category / Sub-Category of the Company	Company having Share Capital
v)	Address of the Registered office and contact details	Ground Floor, Surya Towers, 104,S.P.Road Secunderabad, Telangana State – 500003.
vi)	Whether Listed Company	Yes
vii)	Name, Address and Contact details of Registrar and Share Transfer Agent, if any	Shri G. Bhaskara Murthy GM & Compliance Officer Aarthi Consultants Private Limited 1-2-285, Domalguda, Hyderabad – 500029 Phone: 040-27638111.

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sl. No.	Name and Description of main products / services	NIC Code of the Product / service	% to total turnover of the Company
1	Dyeing and Printing of Textile Fabrics	2480	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

S. No	Name and Address of the Company	CIN/GLN	Holding / Subsidiary / Associate	% of shares held	Applicable Section
	NA	NA	NA	NA	NA

IV.SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoter									
(1) Indian									
a) Individual / HUIF	8505045	2165000	10670045	69.78	10670045	--	10670045	69.78	--
b) Central Govt	--	--	--	--	--	--	--	--	--
c) State Govt (s)	--	--	--	--	--	--	--	--	--
d) Bodies Corp	--	--	--	--	--	--	--	--	--
e) Banks / FI's	--	--	--	--	--	--	--	--	--
f) Any Other	--	--	--	--	--	--	--	--	--
Sub Total (A) (1)	**8505045**	**2165000**	**10670045**	**69.78**	**10670045**	**--**	**10670045**	**69.78**	**--**
(2) Foreign	--	--	--	--	--	--	--	--	--
a) NRI - Individuals	--	--	--	--	--	--	--	--	--
b) Other – Individuals	--	--	--	--	--	--	--	--	--
c) Bodies Corporate	--	--	--	--	--	--	--	--	--
d) Banks / FI	--	--	--	--	--	--	--	--	--
e) Any Other	--	--	--	--	--	--	--	--	--
Sub Total (A) (2)	--	--	--	--	--	--	--	--	--
Total Shareholding of Promoter (A)=(A)(1) + (A)(2)	**8505045**	**2165000**	**10670045**	**69.78**	**10670045**	**--**	**10670045**	**69.78**	**--**
B. PUBLIC SHAREHOLDING									
1. Institutions									
a) Mutual Funds	--	--	--	--	--	--	--	--	--
b) Banks / FI	--	--	--	--	20	--	20	0.00	--
c) Central Govt	--	--	--	--	--	--	--	--	--
d) State Govt (s)	--	--	--	--	--	--	--	--	--
e) Venture Capital Funds	--	--	--	--	--	--	--	--	--
f) Insurance Companies	--	--	--	--	--	--	--	--	--
g) FIIs	--	--	--	--	--	--	--	--	--
h) Foreign Venture Capital Fund	--	--	--	--	--	--	--	--	--

i) Others	--	--	--	--	--	--	--	--	--
Sub Total (B) (1)	**--**	**--**	**--**	**--**	**20**	**--**	**20**	**0.00**	**-**
2. Non Institutions									
a) Bodies Corporate									
i) Indian	349028	--	349028	2.28	275307	--	275307	1.80	(0.48)
ii) Overseas	--	--	--	--	--	--	--	--	--
b) Individuals									
i) Individual Shareholders holding nominal share capital up to Rs.1 Lakh	1993269	13068	2006337	13.12	1954483	12768	1967251	12.87	(0.25)
ii) Individual Shareholders holding nominal share capital in excess of Rs.1 Lakh	2092710	--	2092710	13.70	2261617	--	2261617	14.79	1.1
c) Others	171580	300	171880	1.12	115460	300	115760	0.76	(0.37)
i) IEPF	67878	--	67878	0.44	67818		67818	0.45	--
ii) Clearing members	58606	--	58606	0.38	2171	--	2171	0.01	(0.37)
iii)Non-Resident Indian (NRI)	45096	300	45396	0.30	45471	300	45771	0.30	--
Sub Total (B) (2)	4606587	13368	4619955	30.22	4606867	13068	4619935	30.22	--
Total Public Shareholding (B) = (B)(1) + (B) (2)	4606587	13368	4619955	30.22	4606887	13068	4619955	30.22	--
C. SHARES HELD BY CUSTODIAN FOR GDRS & ADRS	--	--	--	--	--	--	--	--	--
GRAND TOTAL (A+B+C)	**13111632**	**2178368**	**15290000**	**100**	**15276932**	**13068**	**15290000**	**100**	**--**

(***ii) Shareholding of Promoters***

Sl. No	**Shareholder's Name**	**Shareholding at the beginning of the year(as on 01-04-2019)**			**Shareholding at the end of the year (as on 31-03-2020)**			**% change in shareholding during the year**
		No. of Shares	**% of Total Shares of the Company**	**% of Shares Pledged / encumbered to total shares**	**No. of Shares**	**% of Total Shares of the Company**	**% of Shares Pledged / encumbered to total shares**	
1	Vijay Kumar Gupta	59,48,016	38.90	58.81	59,48,016	38.90	58.81	--

2	Susheel Kumar Gupta	32,19,699	21.06	67.70	32,19,699	21.06	67.70	--
3	Shashi Kala Gupta	4,81,500	3.15	37.69	4,81,500	3.15	37.69	--
4	Vijay Kumar Gupta (HUF)	10,20,830	6.68	100	10,20,830	6.68	100	--
	Total	**1,06,70,045**	**69.78**	**64.48**	**1,06,70,045**	**69.78**	**64.48**	--

(iii) Change in Promoters' Shareholding:

Sl. No.	**Shareholder's Name**	**Shareholding at the beginning of the year**		**Cumulative Shareholding during the year**	
1.	**Vijay Kumar Gupta (HUF)**	**No. of Shares**	**% of total Shares of the Company**	**No. of Shares**	**% of total Shares of the Company**
	At the beginning of the year	10,20,830	7.78	10,20,830	7.78
	Date wise Increase /Decrease in Promoters Shareholding during the year specifying the reasonsfor increase/ decrease (e.g. allotment/transfer/bonus/sweat equity etc.,):				
	At the End of the year			10,20,830	7.78
2.	**Susheel Kumar Gupta**	**No. of Shares**	**% of total Shares of the Company**	**No. of Shares**	**% of total Shares of the Company**
	At the beginning of the year	32,19,699	21.06	32,19,699	21.06
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment/transfer/bonus/sweat equity etc.,):				

	At the End of the year			32,19,699	21.06
3.	**Vijay Kumar Gupta**	**No. of Shares**	**% of total Shares of the Company**	**No. of Shares**	**% of total Shares of the Company**
	At the beginning of the year	59,48,016	38.90	59,48,016	38.90
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment/transfer/bonus/sweat equity etc.,):				
	At the End of the year			59,48,016	38.90
4.	**ShashiKala Gupta**	**No. of Shares**	**% of total Shares of the Company**	**No. of Shares**	**% of total Shares of the Company**
	At the beginning of the year	4,81,500	3.15	4,81,500	3.15
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment/transfer/bonus/sweat equity etc.,):				
	At the End of the year			4,81,500	3.15

(iv)Shareholding Pattern of top ten Shareholders (Other than Directors, Promoters and Holders of GDRs and ADRS):

Sl. No.	Name of Shareholder	Shareholding at the beginning of the year		Date	Increase/Decrease in shareholding	Reason	Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company				No. of Shares	% of total Shares of the Company
1.	Kaveri Seed Company Limited	199425	1.30	-	-	-	199425	1.30
2.	Sukanya Reddy Muppidi	180000	1.18	-	-	-	180000	1.18
3.	Anita Agarwal	132406	0.87	12-Jul-19	1800	Purchase	134206	0.87
				19-Jul-19	2000	Purchase	136206	0.89
				26-Jul-19	1000	Purchase	137206	0.89
				02-Aug-19	2000	Purchase	139206	0.91
				23-Aug-19	1000	Purchase	140206	0.91
				10-Jan-20	3000	Purchase	143206	0.93
4.	Tarun Gupta (HUF)	14959	0.09	05-Jul-19	25002	Purchase	39961	0.26
				12-Jul-19	20986	Purchase	60947	0.39
				19-Jul-19	4700	Purchase	65647	0.42
				26-Jul-19	72140	Purchase	137787	0.90
				23-Aug-19	4815	Purchase	142602	0.93
5.	Abhishek Kumar	134309	0.88	--	--	--	134309	0.88
6.	Investor Education and Protection Fund Authority Ministry Of Corporate Affairs	67878	0.44	03-May-19	26042	Claim	41836	0.27
				10-May-19	26042	Transfer	67878	0.44
				28-Feb-20	60	Claim	67818	0.44
7.	Sundeep J Shah	54500	0.36	--	--	--	54500	0.36
8.	Lakshmi TulasiKothapalli	50591	0.33	10-May-19	4300	Sale	46291	0.30
				19-Jul-19	3278	Purchase	49569	0.32
				26-Jul-19	718	Purchase	50287	0.32
				23-Aug-19	2767	Purchase	53054	0.34
				30-Aug-19	5	Purchase	53059	0.34
				20-Sep-19	5	Sale	53054	0.34

				30-Sep-19	1000	Sale	52054	0.34
				18-Oct-19	211	Sale	51843	0.33
				25-Oct-19	600	Sale	51243	0.33
				01-Nov-19	170	purchase	51413	0.33
				08-Nov-19	736	Sale	50677	0.33
				06-Dec-19	1000	Purchase	51677	0.33
				13-Dec-19	2500	Purchase	54177	0.35
				31-Dec-19	500	Sale	53677	0.35
				03-Jan-20	375	Purchase	54052	0.35
				24-Jan-20	548	Purchase	54600	0.35
				31-Jan-20	610	Purchase	55210	0.36
				07-Feb-20	1500	Sale	53710	0.35
				14-Feb-20	125	Purchase	53835	0.35
				06-Mar-20	215	Sale	53620	0.35
				13-Mar-20	680	Sale	52940	0.34
				20-Mar-20	200	Sale	52740	0.34
9.	Anil Kumar Kedia	7467	0.05	22-Nov-19	45108	Purchase	52575	0.34
10.	Radhakrishna Agarwal	45153	0.30	19-Jul-19	831	Purchase	45984	0.30
				26-Jul-19	6732	Purchase	52716	0.34
				02-Aug-19	645	Purchase	53361	0.34
				30-Aug-19	1050	Purchase	54411	0.35
				20-Sep-19	340	Purchase	54751	0.35
				04-Oct-19	500	Purchase	55251	0.36
				18-Oct-19	1209	Sell	54042	0.35
				01-Nov-19	596	Sell	53446	0.34
				08-Nov-19	1365	Sell	52081	0.34

(v) **Shareholding *of Directors and Key Managerial Personnel:***

Sl. No.	Name of the Shareholder	Shareholding at the beginning of the year		Change in Shareholding during the year			Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company	Date	Increase/Decrease in shareholding	Reason	No. of Shares	% of total Shares of the Company
A	**Directors**							
1	Vijay Kumar Gupta	5948016	38.90				5948016	38.90
2	Susheel Kumar Gupta	3219699	21.06				3219699	21.06
3	M.Srikanth Reddy	-	-				-	-
4	CA. P.Vikram	-	-				-	-
5	CA Alka Zanwar	-	-				-	-
6	CA.Pankaj Kumar Trivedi	-	-			-	-	-
B.	**KeyManagerial Personnel**							
1.	S.Nagarajan	1200	0.01				1200	0.01

VI. INDEBTEDNESS

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

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	1,11,61,94,867	92,51,19,510	-	2,04,13,14,377
ii) Interest due but not paid	1,31,90,799	10,88,14,846	-	12,20,05,645
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	**1,12,93,85,666**	**1,03,39,34,356**	-	**2,16,33,20,022**

Change in Indebtedness during the financial year	-	-	-	-
Addition	-	17,56,13,659	-	17,56,13,659
Reduction	(16,99,91,470)	-	-	(16,99,91,470)
Net Change	**(16,99,91,470)**	**17,56,13,659**	-	**56,22,189**
Indebtedness at the end of the financial year				
i) Principal Amount	95,28,60,084	1,06,60,35,692	-	2,01,88,95,776
ii) Interest due but not paid	65,34,112	14,35,12,323	-	15,00,46,435
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	**95,93,94,196**	**1,20,95,48,015**	**-**	**2,16,89,42,211**

VII. REMUNERATION OF DIRECTORS AND KEY MANGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

Sl.No	Particulars of Directors	Vijay Kumar Gupta (Managing Director)	Susheel Kumar Gupta (Whole-time Director cum CFO)	Total Amount (Rs)
1.	Gross salary (a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961. (b) Value of perquisites u/s 17(2) Income-tax Act, 1961. (c) Profits in lieu of salary under Section 17(3) Income-tax Act, 1961.	42,00,000 - -	42,00,000 - -	84,00,000 - -
2.	Stock Option	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission	-	-	-
	as % of profit	-	-	-
	Others	-	-	-
5.	Others, please specify	-	-	-
	Total (A)	42,00,000	42,00,000	84,00,000
	Ceiling as per the Act			

B. Remuneration to Other Directors:

SL No	Particulars of Remuneration	Name of Directors				Total Amount (Rs.)
		M.Srikanth Reddy	CA P.Vikram	CA Alka Zanwar	CA Pankaj Kumr Trivedi	
1	**Independent Directors**					
	Fee for attending Board/Committee Meetings	75,000	65,000	70,000	75,000	2,85,000
	Commission	-	-	-	-	-
	Others	-	-	-	-	-
	Total (1)	**75,000**	**65,000**	**70,000**	**75,000**	**2,85,000**

2	**Other Non-Executive**					
	Directors					
	Fee for attending Board/Committee Meetings	-	-	-	-	-
	Commission	-	-	-	-	-
	Others	-	-	-	-	-
	Total (2)	**-**	**-**	**-**	**-**	
	Total (B) = (1+2)	**75,000**	**65,000**	**70,000**	**75,000**	**2,85,000**
	Total Managerial Remuneration	Nil	Nil	Nil	Nil	Nil
	Overall Ceiling as per the Act	NA	NA	NA	NA	NA

***C.*REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD**

Sl. No	**Particulars of Remuneration**	**Key Managerial Personnel**			
		CEO	**Company Secretary (S.Nagarajan)**	**CFO**	**Total (Rs)**
1.	Gross salary (a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under Section 17(3) Income-tax Act, 1961	-	19,20,000	*mentioned in above table A. in respect of remuneration of MD, WTD etc.	19,20,000
2.	Stock Option	-	-	-	-
3.	Sweat Equity	-	-	-	-
4.	Commission - as % of profit - others, specify.....	-	-	-	-
5.	Others, please specify	-	-	-	-
	Total	-	**19,20,000**	-	**19,20,000**

VIII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment /Compounding Fees imposed	Authority (RD /NCLT / COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty	**NIL**				
Punishment					
Compounding					
B. DIRECTORS					
Penalty	**NIL**				
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty	**NIL**				
Punishment					
Compounding					

For and behalf of the Board
Vijay Textiles Limited

Sd/-
Vijay Kumar Gupta
Chairman and Managing Director
(DIN: 01050958)

Date: 27.08.2020
Place: Secunderabad

Annexure – II

FORM MR-3

SECRETARIAL AUDIT REPORT

(Pursuant to Section 204(1) of the Companies Act, 2013 and
Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel)
Rules, 2014

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2020

To,
The Members
Vijay Textiles Limited

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

Based on our verification of the Company's Books, Papers, Minutes 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 financial year commencing from 1st April, 2019 and ended 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:

1. We have examined the books, papers, minutes books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st of March, 2020 according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made there under;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made there under;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment (FDI), Overseas Direct Investment and External Commercial Borrowings;

2. Compliance status in respect of the provisions of the following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI ACT') is furnished hereunder for the Financial Year 2019-20 :-

i. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; **Complied with yearly and event based disclosures, wherever applicable.**

ii. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and Amended Regulations 2018 Insider Trading Regulations; **The Company has framed code of conduct for regulating & reporting trading by insiders and for fair disclosure and displayed the same on the Company's website i.e.www.vijaytextiles.in**

iii. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;

iv. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; **Not Applicable as the Company has not issued any Employee Stock Options during the year under review.**

v. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008(Amendment) Regulations,2019; **Not Applicable as the Company has not issued any debt securities during the year under review.**

vi. The Securities and Exchange Board of India (Registrars to an issue and Share Transfer Agents) Regulations, 1993, regarding the Companies Act and dealing with client; **Not Applicable as the Company is not registered as Registrar to an Issue and Share Transfer Agent during the year under review.However, the company has Aarthi Consultants Private Limited as its Share Transfer Agent.**

vii. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009and (Amendment)Regulations,2018: **Not Applicable as the company has not delisted/ proposed to delist its Equity Shares during the year under review.**

viii. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **Not Applicable as the Company has not bought back/ proposed to buy-back any of its securities during the year under review.**

ix. Other applicable laws include the following:

a) Factories Act, 1948

b) Payment Of Wages Act, 1936, and rules made there under,

c) The Minimum Wages Act, 1948, and rules made there under,

d) Employees' State Insurance Act, 1948, and rules made there under,

e) The Employees' Provident Fund and Miscellaneous Provisions Act, 1952, and rules made there under,

f) The Payment of Bonus Act, 1965, and rules made there under,

g) Payment of Gratuity Act, 1972, and rules made there under,

h) The Water (Prevention & Control of Pollution) Act, 1974, Read with Water (Prevention & Control of Pollution) Rules, 1975,

i) Industrial Disputes Act, 1947

j) The Air (Prevention and Control of Pollution) Act, 1981

k) The Water (Prevention & Control of Pollution) Act, 1974, Read with Water (Prevention & Control of Pollution) Rules, 1975,

l) Textiles Committee Act, 1963

m) Hazardous Wastes (Management, Handling and Transboundary Movement) Rules, 2008
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 Obligations and Disclosure Requirements) Regulations, 2015 were complied with to the extent applicable.

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

a) During the year the Company has conducted 5 meetings of the Board of Directors, 4 meetings of the Audit committee, 1 meeting of Nomination and Remuneration Committee, 4 Meetings of Stakeholder Relationship Committee and 1 meeting of Independent Directors. We have also examined compliance with the applicable clauses of the Secretarial Standards issued by the Institute of Company secretaries of India.

b) As per the information and explanations provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we report that

(i) the provisions of the Foreign Exchange Management Act, 1999 and the Rules and Regulations made there under to the extent of:

- External Commercial Borrowings were not attracted to the Company under the financial year under report;
- Foreign Direct Investment (FDI) was not attracted to the company under the financial year under report;
- Overseas Direct Investment by Residents in Joint Venture/Wholly Owned Subsidiary abroad was not attracted to the company under the financial year under report.

(ii) As per the information and explanations provided by the company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we report that the Company has not made any GDRs/ADRs or any Commercial Instrument under the financial year under report.

We further report that:

- The Company has a CFO, Mr. Susheel Kumar Gupta and a Company Secretary, Mr. S. Nagarajan.
- The Company has internal auditors namely M/s. Sankaran & Krishnan, Chartered Accountants, Hyderabad.
- The website of the Company contains policies as specified by SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 and the provisions of Companies Act, 2013.
- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- Adequate notice of board meeting is given to all the directors along with agenda at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and meaningful participation at the meeting.
- As per the minutes of the meeting duly recorded and signed by the Chairman, the decisions of the Board were unanimous and no dissenting views have been recorded.
- 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 year under report, the Company has not undertaken event/action having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc.
- The compliance by the Company of applicable financial laws like Direct and Indirect taxlaws has not been reviewed thoroughly in this audit since the same have been subject toreview by the Statutory financial audit and other designated professionals.

For S.S. Reddy & Associates

Sd/-
S. Sarveswar Reddy
Proprietor
M. No. A12611, C.P.No: 7478
UDIN: A012611B000622101

Place: Hyderabad
Date: 27.08.2020

Annexure A

To
The Members of
Vijay Textiles 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 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 relied on the reports given by the concerned professionals in verifying 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 the compliance of laws, rules and regulations and happening of events etc.

5. The compliance of provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.

6. The secretarial Audit report is neither an assurance as to future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For S.S. Reddy & Associates

Sd/-
S. Sarveswar Reddy
Proprietor
M. No. A12611, C.P.No: 7478

Place: Hyderabad
Date: 27.08.2020

Annexure III

Form AOC-2
Particulars of contracts/arrangements made with related parties
[Pursuant to Clause (h) Sub-section(3) of Section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014- AOC-2]

This form pertains to the disclosure of particulars of contracts/arrangements entered into between the Company with related partiesreferred to in Sub-Section (1) of Section 188 of the Companies Act, 2013 including arm's length transaction under third proviso thereto.

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

a) Name(s) of the related party and nature of relationship	:	Not Applicable
b) Nature of contracts/arrangements/transactions	:	None
c) Duration of the contracts/arrangements/transactions	:	Not Applicable
d) Salient terms of the contracts or arrangements or Transactions including the value, if any	:	Not Applicable
e) Justification for entering into such contracts or Arrangements or transactions	:	Not Applicable
f) Date(s) of approval of the Board	:	Not Applicable
g) Amounts paid as advances, if any	:	None
h) Date on which the special resolution was passed in General meeting as required under first proviso to Section 188	:	Not Applicable

2. Details of material contracts or arrangement or transactions at arms length basis:

Sl. No.	Name(s) of the related party and nature of relationship	Nature of contracts/arrangements/transactions:	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: Approved by Audit Committee and Board Meeting in last Financial Year:
1.	**Rent**				
	Shri Vijay Kumar Gupta, Managing Director	Office Premises on Rent 2187.50 Sq,ft	5 Years 01/04/2019 to 31/03/2024	Monthly Rent of Rs.53,580/-	26/03/2019
	Shri Vijay Kumar Gupta,(HUF) Managing Director	Office Premises on Rent 1562.50 Sqft	5 Years 01/04/2019 to 31/03/2024	Monthly Rent of Rs.66,955/-	26/03/2019
	Shri Susheel Kumar Gupta, Executive Director	Office Premises on Rent 1046.25 Sq.ft	5 Years 01/04/2019 to 31/03/2024	Monthly Rent of Rs.85,005/-	26/03/2019
	Shri Shashikala Gupta W/o Shri Vijay Kumar Gupta	Office Premises on Rent 1250.00 Sq.ft	5 Years 01/04/2019 to 31/03/2024	Monthly Rent of Rs.53,580/-	26/03/2019

3. Details of contracts or arrangements or transactions not in the ordinary course of business

S.No	Particulars	Details
a)	Name(s) of the related party & nature of relationship	None
b)	Nature of contracts/arrangements/transaction	Nil
c)	Duration of the contracts/arrangements/transaction	Nil
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	None
e)	Justification of entering into such contracts or arrangements or transactions	None
f)	Date of approval by the Board	Not Applicable
g)	Amount paid as advances, if any	Nil
h)	Date on which the special resolution was passed in General Meeting as required under first proviso to Section 188	Not Applicable

For and on behalf of the Board of
Vijay Textiles Limited

Sd/-
Vijay Kumar Gupta
Chairman & Managing Director
(DIN:01050958)

Sd/-
Susheel Kumar Gupta
Whole-time Director
(DIN: 00362714)

Place: Secunderabad
Date: 27.08.2020

Annexure-IV

REPORT ON CSR ACTIVITIES

[Pursuant to Section 135 of the Companies Act, 2013 and Rule 9 of the Companies (Corporate Social Responsibility) Rules, 2014]

1. A brief Outline of Company's CSR Policy, including overview of projects or programmes, undertaken/ proposed to be undertaken:

The CSR committee of the Board has developed CSR Policy consist of activities as specified in Schedule VII of Companies Act, 2013.

2. Composition of CSR Committee:

The details of the composition of the committee are given below:

Name of the Director	Designation	Category
Shri. Vijay Kumar Gupta	Chairman	Managing Director
Shri. Susheel Kumar Gupta	Member	Whole-Time Director
Shri. C.A. Penmestsa Vikram	Member	Independent, Non-Executive

3. Average net profits of the Company for last three financial years

The average net profit of the Company for the last three financial years was Rs. 487.69 Lakhs.

4. Prescribed CSR Expenditure (two per cent of above)

The Company has allocated 2% of the average net profits of the last three financial years for the CSR initiative which amounts to Rs. 9.75Lakhs.

5. Details of CSR spent during the financial year:

(a) Total amount spent for the financial year: Nil

(b) Amount unspent, if any: (Rs) 9.75 Lakhs

(c) Manner in which the amount spent during the financial year is detailed below:

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Sl. No	**CSR project or activity identified**	**Sector in which the Project is covered**	**Location of Project / Programs**	**Amount outlay**	**Amount spent on the projects or Programs (rupees in lakhs)**	**Cumulative expenditure up to to the reporting period**	**Amount spent Direct or through implementing agency**
NIL							
	TOTAL						

6. In case the Company has failed to spend the 2% of the average net profits of the last three financial years or any part thereof, the Company shall provide the reasons for not spending the amount in its board report:

The Company has identified an ongoing project and the amount will be spent in this financial year.

7. Responsibility statement of the CSR committee that the implementation and monitoring of CSR policy, is in compliance with CSR objectives and policy of the Company:

The CSR Committee has confirmed that Implementation and monitoring of CSR policy is in compliance with CSR objectives and policy of the Company.

For and on behalf of the Board of
Vijay Textiles Limited

Sd/-
Vijay Kumar Gupta
Chairman & Managing Director
(DIN:01050958)

Place: Secunderabad
Date: 27.08.2020

ANNEXURE -V

DISCLOSURE OFPARTICULARS OF CONSERVATION OF ENERGY

		31.03.2020	31.03.2019
1	**EnergyConservation:**		
A	1. Power &FueLConsumption		
	Electricity:		
	a) Purchased:		
	Units	20,49,997	20,50,433
	Total amount (Rs)	1,72,59,162	1,73,51,830
	Cost/Unit (Rs)	8.42	8.46
	b) OwnGeneration:		
	Through Diesel Generator		
	Units	Nil	1,920
	Units per ltr. of Diesel oil	Nil	3.20
	Cost/Unit (Rs)	Nil	22.71
	2. Coal used inBoiler:		
	Quantity (Tonnes)	Nil	Nil
	Cost (Rs)	Nil	Nil
	Average Rate (Rs)	Nil	Nil
	3. Furnace Oil(HSD):		
	Quantity (K. Litre)	Nil	Nil
	Total Amount (Rs)	Nil	Nil
	Average Unit/Litres	Nil	Nil
	4. Others/Internalgeneration:		
	Quantity (Tonnes)	7,640	6,552
	Total Cost (Rs)	2,93,42,749	2,15,53,221
	Average Rate (Rs)	3,841	3,290
B	Consumption per unit of production (Linearmeter)		
	Electricity	1.19	0.98
	Furnace Oil	Nil	Nil
	Coal (Kgs.)	Nil	Nil
	Others (Kgs.)	4.44	3.12
2.	TechnologyAbsorption:	The Company has its In – house Design and Development Department continuously develop innovative designs and select the most suitable raw fabrics for dyeing / printing / processing.	
3.	Foreign Exchange earnings andoutgo		
Earnings (Rs)`		15,54,455	26,15,784
Outgo (Rs)		Nil	Nil

For and on behalf of the Board of
Vijay Textiles Limited

Sd/-
Vijay Kumar Gupta
Chairman & Managing Director
(DIN:01050958)

Place: Secunderabad
Date: 27.08.2020

ANNEXURE VI

Details of remuneration as required under Section 197 (12) of the Companies Act, 2013 read with Rule 5 (1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

As required under the provisions of Section 197 read with Companies (Appointment and Remuneration of Managerial Personnel)Rules, 2014, no employee of the Company is drawing salary of more than Rs. 1.02 Crore (Rupees One Crore Two Lakhs) per financialyear or Rs. 8.5 Lakhs (Eight Lakh Fifty Thousand) per month, as the case may be for the year ended 31st March 2020.

a. The ratio of remuneration of each director (including the sitting fees to Independent Directors) to the median remuneration of the employees of the company for the financial year.

Sl. No	Disclosure requirement	Disclosure Details	
i.	Ratio of Remuneration of each Director to the median remuneration of the employees of the Company for the financial year:	**Managing Director, Whole-Time director**	**Ratio to median remuneration**
		Shri Vijay Kumar Gupta	24.02 : 1
		Shri Susheel Kumar Gupta	24.02 : 1
ii.	Percentage increase in the remuneration of each Director, Chief Financial Officer, Company Secretary or Manager, if any, in the financial year	Directors, KMP	% increase in remuneration in the financial year
		Shri Vijay Kumar Gupta	Nil
		Shri Susheel Kumar Gupta	Nil
		Shri S.Nagarajan	Nil
Iii	The percentage increase in the median remuneration of employees in the financial year	15.18%	
Iv	The number of employees on the rolls of the company	158	

V	Average percentile increases already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and details if there are any exceptional circumstances for increase in the managerial remuneration	Nil
VI	Affirmation that the remuneration is as per the remuneration policy of the company.	The Company is compliance with its remuneration policy

Annexure-VII

List of top 10 employees:

In terms of Remuneration drawn as per Rule 5(3) of the Companies (Appointment And Remuneration of Managerial Personnel) Rules, 2014:

S No	Name of the Employee	Designation of the employee	Remuneration received	Nature of employment whether contractual or otherwise	Qualification and experience of the employee	Date of commencement of employment	The age of the employee	The last employment held by such employee before joining the Company	The percentage of equity shares held by the employee in the Company within the meaning of clause (iii) of sub rule (2) of Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules,2014.	Whether any such employee is a relative of any director or manager of the Company and if so,name of such director or manager
1	Vijay Kumar Gupta	Managing Director	42,00,000	Regular	B.Com	01.04.1990	70 Years	Nil	38.90%	- NIL -
2	Susheel Kumar Gupta	Executive Director	42,00,000	Regular	B.Com	17.06.1994	45 Years	Nil	21.06%	S/o of Shri Vijay Kumar Gupta Managing Director
3	S. Nagarajan	Company Secretary	19,20,000	Regular	B.Com,.Acs	01.02.1995	62 Years	Nil	0.01%	- NIL -
4	Mukesh Gandhi	Chief Manager Operations	5,73,600	Regular	IIT Mechnica 2 Years	03.10.2017	66 Years	Harish Textiles	- NIL -	- NIL -
5	Bethala Sanjay Vikram	Finance Manager	5,47,440	Regular	B.Com (Computers)	24.08.2018	48 Years	Maharana Pratap Co-operative Urban Bank Ltd	Nil	Nil

6	S Mahalakshmi	Sales Manager	4,80,000	Regular	Msc, 23 Years	01.02.1995	59 Years	- NIL -	- NIL -	- NIL -
7	J Chandu Naik	Senior Boiler Operator	4,42,980	Regular	Intermediate, 6 Years	01.07.2013	41 Years	Agarwal Ltd	- NIL -	- NIL -
8	Ram Niwas	Chief Security Officer	4,30,356	Regular	9th class, 13Years	01.01.2006	54 Years	- NIL -	- NIL -	- NIL -
9	Chotu Ram	Senior Administration Manager	4,30,176	Regular	6th class, 13 Years	01.01.2006	55 Years	Nil	Nil	Nil
10.	Jonnalagadda Ravi Shankar	Manager Accounts	4,27,500	Regular	B com, 17 Years	26.12.2002	52 Years	Pragna Software Ltd	0.01%	- NIL -

For and on behalf of the Board of
Vijay Textiles Limited

Sd/-
Vijay Kumar Gupta
Chairman & Managing Director
(DIN:01050958)

Place: Secunderabad
Date: 27.08.2020

Annexure-VIII

CORPORATE GOVERNANCE REPORT

In accordance with Regulation 34 (3) read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the report containing the details of Corporate Governance systems and processes at Vijay textiles Limited as follows:

Vijay Textiles Limited is committed to best practices in the area of Corporate Governance. Good governance facilitates effective management and control of business, maintaining a high level of business ethics and optimizing the value for all stakeholders.

The Corporate Governance Structure in the Company assigns responsibilities and entrusts authority among different participants in the organization viz. the Board of Directors, the Senior Management, Employees, etc.

COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE

The Company's philosophy on Corporate Governance is backed by Principles of Concern, Commitment, Ethics, Excellence and Learning in all its acts and relationships with Stakeholders, Clients, Associates and Community at large. This philosophy revolves around fair and transparent governance and disclosure practices in line with the principles of Good Corporate Governance. The Corporate Governance Structure in the Company assigns responsibilities and entrusts authority among different participants in the organization viz. the Board of Directors, the Senior Management, Employees, etc. The Company believes that good Corporate Governance is a continuous process and strives to improve the Corporate Governance practices to meet shareholder's expectations.

DATE OF REPORT

The information provided in the Report on Corporate Governance for the purpose of unanimity is as on 31st March, 2020. The Report is updated as on the date of the report wherever applicable.

BOARD DIVERSITY:

The Company recognizes and embraces the importance of a diverse Board in its success. We believe that a truly diverse Board will leverage differences in thought, perspective, knowledge, skill, regional and industry experience, cultural and geographical background, age, ethnicity, race and gender, which will help us retain our competitive advantage. The Board has adopted the Board Diversity Policy which sets out the approach to diversity of the Board of Directors. The Board Diversity Policy is available on our website.

1. BOARD OF DIRECTORS

A. COMPOSITION OF THE BOARD

The Company is managed and controlled through a professional body of Board of Directors which comprises of an optimum combination of Executive and Independent Directors headed by the Chairman& Managing Director. As on date of this report, the Board of Directors of the Company has 6 members (including four independent Non-Executive Directors) with vast experience and knowledge. None of the Directors on the Board is a

Member of more than 10 committees or Chairman of more than 5 companies across all the Companies in which he/she is a Director.

The Board has been enriched with the advices and skills of the Independent Directors. The composition of the Board of Directors and details of number of Directorships/committee chairmanships/memberships attendance particulars is as under:

Name	Category	Attendance at the AGM held on 27th September 2019	Attendance in Board Meetings		No. of Directorships in other companies		No. of committee positions held in other public companies	
			Held	Present	Chairman	Director	Chairman	Member
Mr. Vijay Kumar Gupta	Managing Director & Chairman	Yes	5	5	-	1	-	-
Mr. Susheel Kumar Gupta	Executive Director	Yes	5	5	-	1	-	-
Mr. Srikanth Reddy Muppidi	NED, Independent Director	Yes	5	5	-	8	-	-
CA Vikram Penmetsa	NED, Independent Director	Yes	5	4	-	-	-	-
CA Alka Zanwar	NED, Independent Director	Yes	5	4	-	-	-	-
CA Pankaj Kumar Trivedi	NED, Independent Director	Yes	5	5	-	-	-	-

B. A CHART OR A MATRIX SETTING OUT THE SKILLS/EXPERTISE/COMPETENCE OF THE BOARD OF DIRECTORS:

Sl.No	Skills / Expertise / Competence of the Board of Directors are required in the context of business of the Company	Names of the Directors who have such skills / expertise / competence
1	Manufacturing and Marketing	Vijaykumar Gupta Susheel Kumar Gupta
2	Commercial	Vijaykumar Gupta Susheel Kumar Gupta
3	Regulatory	Vijaykumar Gupta Susheel Kumar Gupta Srikanth Reddy Muppidi Vikram Penmetsa Alka Zanwar Pankaj Kumar Trivedi
4	Finance & Accounting	Vijaykumar Gupta Susheel Kumar Gupta Srikanth Reddy Muppidi Vikram Penmetsa Alka Zanwar Pankaj Kumar Trivedi
5	Research & Development	Vijaykumar Gupta Susheel Kumar Gupta
6	Legal and General Management	Vijaykumar Gupta Susheel Kumar Gupta Srikanth Reddy Muppidi Vikram Penmetsa Alka Zanwar Pankaj Kumar Trivedi

C. DISCLOSURE OF RELATIONSHIPS BETWEEN DIRECTORS INTER-SE

Mr. Vijay Kumar Gupta, Promoter Director and Mr. Susheel Kumar Gupta, Promoter Director of the Company are related to each other by virtue of their relationship as father and son respectively. Other Directors do not have any inter se relation with each other.

D. NUMBER OF SHARES AND CONVERTIBLE INSTRUMENTS HELD BY NON-EXECUTIVE DIRECTORS:

None of the Non-executive Directors hold equity shares or convertible instruments of the Company.

Mr. Srikanth Reddy Muppidi, Non-Executive Director of the Company holds 5,00,000 Convertible Warrants in his name.

However, on 08.06.2020 the 5,00,000 Convertible Warrants held by Mr. Srikanth Reddy Muppidi were forfeited as he has not exercised the option of Conversion of Warrants into Equity Shares.

E. INDEPENDENT DIRECTORS

The Company has complied with the definition of Independence as per Regulation 16(1) (b) of the SEBI (LODR), Regulations, 2015 and according to the Provisions of Section 149(6) of the Companies Act, 2013. The Company has also obtained declarations from all the Independent Directors pursuant to Section 149(7) of the Companies Act, 2013.

It is also confirmed that in the opinion of the Board, the Independent Directors fulfil the conditions specified in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and are independent of the management.

During the year under review, none of the Independent Directors have resigned from the Board of Directors of the Company.

F. INDEPENDENT DIRECTORS' MEETING:

As per Clause 7 of the Schedule IV of the Companies Act (Code for Independent Directors), a separate meeting of the Independent Directors of the Company (without the attendance of Non-Independent Directors) was held on 12.02.2020, and discussed the following:

1. Evaluation of the performance of Non-Independent Directors and the Board of Directors as whole;

2. Evaluation of the quality, content and timelines of flow of information between the management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

All the Independent Directors of the Company eligible to attend were present at the meeting.

As required under Regulation 34(3) read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, the Company regularly familiarizes Independent Directors with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company etc.

G. FAMILIARIZATION PROGRAM FOR INDEPENDENT DIRECTORS:

Independent Directors are familiarized about the Company's operations and businesses. Interaction with the Business heads and key executives of the Company is also facilitated. Detailed presentations on important policies of the Company is also made to the directors. Direct meetings with the Chairman is further facilitated to familiarize the incumbent Director about the Company/its businesses and the group practices.

The details of familiarisation programme held in FY 2019-2020 are also disclosed on the Company's website at https://www.vijaytextiles.in

H. INFORMATION SUPPLIED TO THE BOARD:

The Board has complete access to all information of the Company and is regularly provided advanced detailed information as a part of the agenda papers or is tabled therein. In addition, detailed quarterly performance report by the CFO is presented in the quarterly Board meeting, encompassing all facets of the Company's operations during the quarter, including update of key projects, outlook and matters relating to environment, health & safety, corporate social responsibility etc. The following information is provided to the Board as a part of the agenda papers:

- Annual and Quarterly financial statements for the Company and the Accounting Policy
- Minutes of the meetings of the Audit Committee and other Committees of the Board.
- Annual business plan.
- Information on recruitment and remuneration of senior officers just below the level of Board, including the appointment or removal of Chief Financial Officer and Company Secretary, whenever required.
- Expansion projects and its status monitoring.
- Fatal or serious accidents, injuries or any material environmental problems, if any.
- Any material default in financial obligations to and by the Company, or substantial non-payment for goods sold by the Company, if any.
- Significant labour problems and their proposed solutions, whenever necessary.
- Any significant development in human resources / industrial relations including long-term wage agreement, major voluntary retirement scheme, etc.
- Quarterly details of foreign exchange exposures and the steps taken by the management to limit the risks of adverse exchange rate movement, if material.
- Quarterly disclosure of all the investments made.
- Material non-compliance of any regulatory, statutory nature or listing requirements and shareholders service, such as non-payment of dividend, delay in share transfer and others, if any
- Quarterly review of compliance status under various laws applicable to the Company
- Substantial non-payment of goods sold by the Company except disputes
- Related Party Transactions, if they are not at arm's length and in the ordinary course of business
- Half-yearly summary of bank guarantees issued.

- All other matters required to be placed before the Board for its review / information / approval under the statutes, including SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

I. DECLARATION BY BOARD

The Board has confirmed that in its opinion, the independent directors fulfill the conditions specified in these regulations and are independent of the management.

During the year under review, no Independent Director has resigned before expiry of his tenure.

2. AUDIT COMMITTEE: Audit Committee constituted in terms of Section 177 of Companies Act, 2013 read with Regulation 18 of SEBI (LODR) Regulations, 2015

A. BRIEF DESCRIPTION OF TERMS OF REFERENCE:

The terms of reference of the Audit Committee encompasses the requirements of Section 177 of Companies Act, 2013 and as per Regulation 18 of SEBI (LODR) Regulations, 2015 and, interalia, includes

1. Over view of the Company's financial reporting process and disclosure of its financial information to ensure that the financial statement reflects a true and fair position and that sufficient and credible information is disclosed.

2. Recommending the appointment and removal of statutory auditors, internal auditors and cost auditors, fixation of their audit fees and approval for payment of any other services.

3. Discussion with external auditors before the audit commences, of the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.

4. Reviewing the financial statement and draft audit report, including quarterly/half yearly financial information.

5. Reviewing with the management the annual financial statements before submission to the Board, focusing primarily on:

i) Any changes in accounting policies and practices.

ii) Major accounting entries based on excises of judgment by the management.

iii) Qualifications in draft audit report.

iv) Significant adjustment arises out of audit.

v) The going concern assumption.

vi) Compliance with accounting standards, stock exchange and legal requirement concerning financial statements.

vii) Review and approval of related party transactions.

6. Reviewing the company's financial and risk management's policies.

7. Disclosure of contingent liabilities.

8. Reviewing with management, external and internal auditors, the adequacy of internal control systems.

9. Reviewing the adequacy of internal audit function, including the audit character, the structure of the internal audit department, approval of the audit plan and its execution, staffing and seniority of the official heading the department, reporting structure, coverage and frequency of internal audit.

10. Discussion with internal auditors of any significant findings and follow-up thereon.

11. Reviewing the findings of any internal investigations by the internal auditors into the 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.

12. Looking into the reasons for substantial defaults in payments to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.

13. Reviewing compliances as regards the Company's Whistle Blower Policy.

B. COMPOSITION, MEETINGS & ATTENDANCE

There were four (4) Audit Committee Meetings held during the year on 27.05.2019, 12.08.2019, 14.11.2019 and 12.02.2020.

Name	Designation	Category	Number of meetings during the year 2019-2020	
			Held	Attended
CA Vikram Penmetsa	Chairman	Independent, Non-Executive	4	3
Shri M. Srikanth Reddy	Member	Independent, Non-Executive	4	4
CA Alka Zanwar	Member	Independent, Non-Executive	4	4
CA Pankaj Kumar Trivedi	Member	Independent, Non-Executive	4	4

C. Previous Annual General Meeting of the Company was held on 27th September 2019 and Mr. Vikram Penmetsa, Chairman of the Audit Committee for that period, attended previous AGM.

3. NOMINATION AND REMUNERATION COMMITTEE (Nomination and RemunerationCommittee constituted in terms of Section 178 of CompaniesAct, 2013 read with Regulation 19 of SEBI (LODR) Regulations, 2015)

The terms of reference of the Nomination and Remuneration committee constituted in terms of Section 178 of Companies Act, 2013 and as per Regulation 19 of SEBI (LODR) Regulations, 2015 are as under:

A. BRIEF DESCRIPTION OF TERMS OF REFERENCE

- To approve the fixation/revision of remuneration of Executive Directors of the Company and while approving:

a. To take into account the financial position of the Company, trend in the industry,appointee's qualification, experience, past performance, past remuneration etc.

b. To bring out objectivity in determining the remuneration package while striking a balance between the interest of the Company and the Shareholders.

- To identify persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down and to recommend to the Board their appointment and /or removal.
- To carry out evaluation of every Director's performance.
- To formulate the criteria for determining qualifications, positive attributes and independence of a Director, and recommend to the Board a policy, relating to the remuneration for the Directors, key managerial personnel and other employees.
- To formulate the criteria for evaluation of Independent Directors and the Board.
- To recommend/review remuneration of the Managing Director and Whole-time Director(s) based on their performance and defined assessment criteria.
- Recommend to the board, all remuneration, in whatever form, payable to senior management.

B. COMPOSITION OF THE NOMINATION AND REMUNERATION COMMITTEE, MEETINGS & ATTENDANCE

There was one Nomination and Remuneration Committee Meetings held during the financial year on 12.02.2020.

Name	Designation	Category	Number of meetings during the year 2019-2020	
			Held	Attended
CA Vikram Penmetsa	Chairman	Independent, Non-Executive	1	1
Shri M. Srikanth Reddy	Member	Independent, Non-Executive	1	1
CA Alka Zanwar	Member	Independent, Non-Executive	1	1
CA Pankaj Kumar Trivedi	Member	Independent, Non-Executive	1	1

C. REMUNERATION POLICY:

The objectives of the remuneration policy are to motivate Directors to excel in their performance, recognize their contribution and retain talent in the organization and reward merit.

The remuneration levels are governed by industry pattern, qualifications and experience of the Directors, responsibilities shouldered and individual performance.

POLICY FOR SELECTION OF DIRECTORS AND DETERMINING DIRECTORS' INDEPENDENCE:

1. Scope:

This policy sets out the guiding principles for the Nomination & Remuneration Committee for identifying persons who are qualified to become Directors and to determine the independence of Directors, in case of their appointment as independent Directors of the Company.

2. Terms and References:

2.1 "Director" means a Director appointed to the Board of a Company.

2.2 "Nomination and Remuneration Committee means the committee constituted in accordance with the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

2.3 "Independent Director" means a Director referred to in sub-Section (6) of Section 149 of the Companies Act, 2013 and Regulation 16 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

3. Policy:

Qualifications and criteria

3.1.1 The Nomination and Remuneration Committee, and the Board, shall review on annual basis, appropriate skills, knowledge and experience required of the Board as a whole and its individual members. The objective is to have a board with diverse background and experience that are relevant for the Company's operations.

3.1.2 In evaluating the suitability of individual Board member the NR Committee may take into account factors, such as:

- General understanding of the Company's business dynamics, global business and social perspective;
- Educational and professional background
- Standing in the profession;

- Personal and professional ethics, integrity and values;
- Willingness to devote sufficient time and energy in carrying out their duties and responsibilities effectively.

3.1.3 The proposed appointee shall also fulfill the following requirements:

- shall possess a Director Identification Number;
- shall not be disqualified under the companies Act, 2013;
- shall Endeavour to attend all Board Meeting and Wherever he is appointed as a Committee Member, the Committee Meeting;
- shall abide by the code of Conduct established by the Company for Directors and senior Management personnel;
- shall disclose his concern or interest in any Company or companies or bodies corporate, firms, or other association of individuals including his shareholding at the first meeting of the Board in every financial year and thereafter whenever there is a change in the disclosures already made;
- Such other requirements as any prescribed, from time to time, under the companies Act, 2013, Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other relevant laws.

3.1.4 The Nomination & Remuneration Committee shall evaluate each individual with the objective of having a group that best enables the success of the Company's business.

3.2 Criteria of Independence

3.2.1 The Nomination & Remuneration Committee shall assess the independence of Directors at time of appointment/ re-appointment and the Board shall assess the same annually. The Board shall re-assess determinations of independence when any new interest or relationships are disclosed by a Director.

3.2.2 The criteria of independence shall be in accordance with the guidelines as laid down in Companies Act, 2013 and Regulation 16 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

An independent Director in relation to a Company, means a Director other than a Managing Director or a Whole-time Director or a nominee Director.

a. who, in the opinion of the Board, is a person of integrity and possesses relevant expertise and experience;

b. (i) who is or was not a promoters of the Company or its holding, subsidiary or associate Company;

(ii) who is not related to promoters or Directors of the Company its holding, subsidiary or associate Company

c. who has or had no pecuniary relationship with the Company, its holding, subsidiary or associate Company, or their promoters, or Director, during the two immediately preceding financial year or during the current financial year;

d. none of whose relative has or had pecuniary relationship or transaction with the Company, its holding, subsidiary or associate Company, or their promoters, or Directors, amounting to two per cent or more of its gross turnover or total income or fifty lakh rupees or such higher amount as may be prescribed, whichever is lower, during the two immediately preceding financial year or during the current finance year;

e. who, neither himself nor any of his relative-

(i) Holds or has held the position of a key managerial personnel or is or has been employee of the or associate Company in any of the three finance years immediately preceding the finance year in which he is proposed to be appointed;

(ii) Is or has been an employee or proprietor or a partner, in any of the three finance year immediately preceding the financial year in which he is proposed to be appointed of-

(A) a firm of auditors or Company secretaries in practice or cost auditors of the Company or its holding, subsidiary or associate Company; or

(B) any legal or a consulting firm that has or had any transaction with the Company, its holding subsidiary or associate Company amounting to ten per cent or more of the gross turnover of more of the gross turnover of such firm;

(i) holds together with his relatives two per cent or more of the total voting power of the Company; or

(ii) is a chief Executive or Director, by whatever name called, of any non-profit organization that receives twenty-five per cent or more of its receipt from the Company any of its promoters , Directors or its holding subsidiary or associate Company or that holds two per cent or more of the total voting power of the Company; or

(iii) is a material supplier, service provider or customer or a lesser or lessee of the Company.

f. Shall possess appropriate skills experience and knowledge in one or more field of finance, law management, sales, marketing administration, research, corporate governance, technical operations, corporate social responsibility or this disciplines related to the Company's business.

g. Shall possess such other qualifications as may be prescribed from time to time, under the Companies Act, 2013.

h. who is not less than 21 years of age

i. Who is not a Non-Independent Director of another company on the Board of which any Non-Independent Director of the listed entity is an Independent Director.

3.2.3 The Independent Director shall abide by the "code for Independent Directors "as specified in Schedule IV to the companies Act, 2013.

3.3 Other Directorships/ Committee Memberships

3.3.1 The Board members are expected to have adequate time and expertise and experience to contribute to effective Board performance Accordingly, members should voluntarily limit their Directorships in other listed public limited companies in such a way that it does not interfere with their role as Director of the Company. The NR Committee shall take into account the nature of, and the time involved in a Director service on other Boards, in evaluating the suitability of the individual Director and making its recommendations to the Board.

3.3.2 A Director shall not serve as Director in more than 20 companies of which not more than 10 shall be public limited Companies.

3.3.3 A Director shall not serve as an independent Director in more than 7 listed companies and not more than 3 listed companies in case he is serving as a whole-time Director in any listed Company.

3.3.4 A Director shall not be a member in more than 10 committee or act as chairman of more than 5 committee across all companies in which he holds Directorships.

For the purpose of considering the limit of the committee, Audit committee and stakeholder's relationship committee of all public limited companies, whether listed or not, shall be included and all other companies including private limited companies, foreign companies and companies under Section 8 of the companies Act, 2013 shall be excluded.

Remuneration policy for Directors, key managerial personnel and other employees:

The objectives of the remuneration policy are to motivate Directors to excel in their performance, recognize their contribution and retain talent in the organization and reward merit.

The remuneration levels are governed by industry pattern, qualifications and experienceof the Directors, responsibilities shouldered and individual performance.

Remuneration policy for Directors, key managerial personnel and other employees

1. Scope:

1.1 This policy sets out the guiding principles for the Nomination and Remuneration committee for recommending to the Board the remuneration of the Directors, key managerial personnel and other employees of the Company.

2. Terms and Reference:

In this policy the following terms shall have the following meanings:

2.1 "Director" means a Director appointed to the Board of the Company.

2.2 "key managerial personnel" means

(i) The Chief Executive Officer or the managing Director or the manager;

(ii) The Company Secretary;

(iii) The Whole-time Director;

(iv) The Chief Financial Officer; and

(v) Such other office as may be prescribed under the companies Act, 2013

2.3 "Nomination and Remuneration committee" means the committee constituted by Board in accordance with the provisions of Section 178 of the companies Act, 2013, clause 49 of the Equity Listing Agreement and Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

3. Policy:

3.1 Remuneration to Executive Director and key managerial personnel

3.1.1 The Board on the recommendation of the Nomination and Remuneration (NR) committee shall review and approve the remuneration payable to the Executive Director of the Company within the overall approved by the shareholders.

3.1.2 The Board on the recommendation of the NR committee shall also review and approve the remuneration payable to the key managerial personnel of the Company.

3.1.3 The remuneration structure to the Executive Director and key managerial personnel shall include the following components:

(i) Basic pay

(ii) Perquisites and Allowances

(iii) Stock Options

(iv) Commission (Applicable in case of Executive Directors)

(v) Retiral benefits

(vi) Annual performance Bonus

3.1.4 The Annual plan and Objectives for Executive committee shall be reviewed by the Nomination and Remuneration Committee and Annual performance bonus will be approved by the committee based on the achievement against the Annual plan and Objectives.

3.2 Remuneration to Non – Executive Directors

3.2.1 The Board, on the recommendation of the Nomination and Remuneration Committee, shall review and approve the remuneration payable to the Non – Executive Directors of the Company within the overall limits approved by the shareholders as per the provisions of the Companies Act.

3.2.2 Non–Executive Directors shall be entitled to sitting fees attending the meetings of the Board and the Committees thereof. The Non- Executive Directors shall also be entitled to profit related commission in addition to the sitting fees.

3.3. Remuneration to other employees

3.3.1. Employees shall be assigned grades according to their qualifications and work experience, competencies as well as their roles and responsibilities in the organization. Individual remuneration shall be determined within the appropriate grade and shall be based on various factors such as job profile skill sets, seniority, experience and prevailing remuneration levels for equivalent jobs.

D. MECHANISM FOR EVALUATION OF THE BOARD

Evaluation of all Board members is performed on an annual basis. The evaluation is performed by the Board, Nomination and Remuneration Committee and Independent Directors with specific focus on the performance and effective functioning of the Board and Individual Directors.

In line with Securities and Exchange Board of India Circular No. SEBI/HO/CFD/CMD/CIR/P/2017/004, dated January 5, 2017 and the Companies Amendment Act, 2017 the Company adopted the recommended criteria by Securities and Exchange Board of India.

The Directors were given six Forms for evaluation of the following:

(i) Evaluation of Board;

(ii) Evaluation of Committees of the Board;

(iii) Evaluation of Independent Directors;

(iv) Evaluation of Chairperson;

(v) Evaluation of Non-Executive and Non-Independent Directors; and

(vi) Evaluation of Managing Director.

The Directors were requested to give following ratings for each criteria:

1. Could do more to meet expectations;

2. Meets expectations; and

3. Exceeds expectations.

The Directors have sent the duly filled forms to Nomination & Remuneration committee. Based on the evaluation done by the Directors, the Committee has prepared a report and submitted the Evaluation Report. Based on the report, the Board of Directors has informed the rankings to each Director and also informed that the performance of Directors is satisfactory and they are recommended for continuation as Directors of the Company.

E. REMUNERATION TO DIRECTORS

(a) all pecuniary relationship or transactions of the non-executive directors vis-à-vis the listed entity shall be disclosed in the annual report;

(b) criteria of making payments to non-executive directors. alternatively, this may be disseminated on the listed entity's website and reference drawn thereto in the annual report;

(c) disclosures with respect to remuneration: in addition to disclosures required under the Companies Act, 2013, the following disclosures shall be made:

(i) all elements of remuneration package of individual directors summarized under major groups, such as salary, benefits, bonuses, stock options, pension etc;

(ii) details of fixed component and performance linked incentives, along with the performance criteria;

(iii) service contracts, notice period, severance fees;

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

Name of the Director	Remuneration (Rs)	Sitting Fee (Rs)	Total (Rs)	No. of Shares held
Vijay Kumar Gupta	42,00,000	--	42,00,000	59,48,016
Susheel Kumar Gupta	42,00,000	--	42,00,000	32,19,699
M.Srikanth Reddy	-	75,000	75,000	--
CA.P.Vikram	-	65,000	65,000	--
CA AlkaZanwar	-	70,000	70,000	--
CA Pankaj Kumar Trivedi	-	75,000	75,000	--

4. STAKEHOLDERS RELATIONSHIP COMMITTEE:

During the year April 2019 to March 2020, Four (4) Stakeholders Relationship Committee Meetings were held. The dates on which the said meetings were held are 27th May 2019, 12th August 2019, 14th November 2019 and 12th February 2020.

A. COMPOSITION AND ATTENDANCE FOR MEETINGS:

Name	Designation	Category	Number of meetings during the year 2019-2020	
			Held	Attended
CA.Vikram Penmetsa	Chairman	Independent, Non-Executive	4	3
Shri M. Srikanth Reddy	Member	Independent, Non-Executive	4	4
CA Alka Zanwar	Member	Independent, Non-Executive	4	4
CA Pankaj Kumar Trivedi	Member	Independent, Non-Executive	4	4

B. NAME AND DESIGNATION OF COMPLIANCE OFFICER

Mr. S. Nagarajan, Company Secretary of the Company is the compliance officer of the Company.

C. DETAILS OF COMPLAINTS/REQUESTS RECEIVED, RESOLVED AND PENDING DURING THE YEAR 2019-20

INVESTOR COMPLAINTS	
Particulars	**Year ended 31.03.2020**
Pending at the beginning of the year	Nil
Received during the year	Nil
Disposed of during the year	Nil
Remaining unresolved at the end of the year	Nil

5. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

In compliance with the provisions of the Companies (Corporate Social Responsibility Policy) Rules 2013, the Company constituted a Corporate Social Responsibility Committee. One meeting was held during the year on 12th February 2020. The Corporate Social Responsibility Committee, formed under Section 135 of the Companies Act, 2013.

A. COMPOSITION

The composition of the Corporate Social Responsibility Committee as under:

Name	Designation	Category
Shri Vijay Kumar Gupta	Chairman	Managing Director
Shri Susheel Kumar Gupta	Member	Whole-time director & CFO
Shri C.A P. Vikram	Member	Independent, Non-Executive

7. GENERAL BODY MEETINGS

A. LOCATION, DATE AND TIME OF LAST THREE AGMS AND SPECIAL RESOLUTIONS THEREAT AS UNDER:

Financial Year	Date	Time	Venue	Special Resolution Passed
2016-2017	26.09.2017	11.00 A.M.	FTAAPCCI Auditorium, The Federation of Telangana and Andhra Pradesh Chamber of Commerce & Industry, The Federation House, 11-9-84, Red Hills, Hyderabad- 500004.	No

2017-2018	28.09.2018	10.00 A.M	J.S. Krishna Murthy Hall, The Federation of Telangana and Andhra Pradesh Chamber of Commerce & Industry, The Federation House. 11-9-84, Red Hills, Hyderabad- 500004	Yes a) Change in nomenclature of 0.10% non-convertible cumulative redeemable preference shares into 0.10% convertible cumulative preference shares and change of authorised share capital b) Increase of authorised share Capital and amendment of Clause v of the memorandum of Association of the company c) Issue and allotment of convertible warrants to the promoters, director (on Conversion of 0.10% convertible Cumulative preference shares) And others on preferential basis.
2018-2019	27.09.2019	10.15 A.M	FTCCI Surana Auditorium, The Federation of Telangana Chambers of Commerce & Industry, The Federation House, 11-9-84, Red Hills, Hyderabad- 500 004	Yes a) Continuation of Shri. Vijay Kumar Gupta as Chairman and Managing Director of the Company b) Re-appointment of Shri. Srikanth Reddy Muppidi as Independent Director of the Company.

No Extra-ordinary General Meetings / Postal ballot was held during the year 2019-20.

8. DISCLOSURES

A. MATERIALLY SIGNIFICANT RELATED PARTY TRANSACTIONS:

During the year under review, the Company had not entered in to any materially significant transaction with any related party. During the year, the Company had not entered into any other contract/arrangement/transaction with related parties which could be considered material in accordance with the policy of the Company on materiality of related party transactions that may have potential conflict with the interests of the Company at large. All the related party transactions during the year are in the ordinary course of business and on arm's length basis.

The policy on related party transactions is available in the Company's website www.vijaytextiles.in

B. COMPLIANCES:

There are no penalties imposed on the Company by the Stock Exchanges or SEBI or any other statutory authority on any matter related to capital markets, during the last three years.

C. WHISTLE BLOWER POLICY:

The Company has adopted a Whistle Blower Policy and has established the necessary vigil mechanism as defined in Regulation 22 of SEBI (LODR) Regulations 2015 and in terms of Section 177 of the Companies Act, 2013.

With a view to adopt the highest ethical standards in the course of business, the Company has a whistle blower policy in place for reporting the instances of conduct which are not in conformity with the policy. Directors, employees, vendors or any person having dealings with the Company may report non-compliance to the Chairman of the Audit Committee, who reviews the report. Confidentiality is maintained of such reporting and it is ensured that the whistle blowers are not subjected to any discrimination. No person has been denied access to the Chairman of the Audit Committee.

D. DISCLOSURE OF COMMODITY PRICE RISKS AND COMMODITYHEDGING ACTIVITIES

The Company is into manufacturing of textiles and doesn't consume large quantities of commodities in its manufacturing activities. Hence the Company is not materially exposed to commodity price risks nor does the company do any commodity hedging.

E. DETAILS OF UTILIZATION OF FUNDS RAISED THORUGH PREFERENTIAL ALLOTMENT OR QUALIFIED INSTITUTIONS PLACEMENT.

During the year under review, no issue of shares was made either by way of preferential allotment/Qualified Institutional Placement/Rights Issue or by any other ways.

F. CERTIFICATE FROM PRACTICING COMPANY SECRETARY

The Company has obtained certificate from Practicing Company Secretary that none of the Directors on the Board of the Company are debarred or disqualified from being appointed or continuing as directors of Companies by the Board/Ministry of Corporate Affairs or any such authority.

G. RECOMMENDATIONS OF COMMITTEES

The Board has accepted and acted upon all the recommendations by the Audit & Nomination and Remuneration Committees.

H. TOTAL FEES FOR ALL SERVICES PAID BY THE COMPANY, ON A CONSOLIDATED BASIS, TO THE STATUTORY AUDITOR.

The fees paid by the Company to its Statutory Auditors are stated in the Audit Financial Statements which are part of the Annual Report.

I. DISCLOSURE IN RELATION TO THE SEXUAL HARASSMENT OF WOMENAT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT,2013.

The following is the summary of sexual harassment complaints received and disposed during the calendar year.

- No. of complaints received during the financial year: Nil
- No. of complaints disposed off during the financial year: Nil
- No. of complaints pending at the end of the financial year: Nil

J. NON-COMPLIANCE OF ANY REQUIREMENT OF CORPORATE GOVERNANCE REPORT.

The company has complied with the requirement of Corporate Governance Report of sub-paras (2) to (10) of Schedule-V of the Securities Exchange Board of India (LODR) Regulations, 2015.

K. ADOPTION OF DISCRETIONARY REQUIREMENTS AS SPECIFIED IN PART E OF SCHEDULE II of SEBI (LODR) REGULATIONS, 2015.

The company has adopted discretionary requirements to the extent of Internal Auditors reporting to the Audit Committee.

L. DISCLOSURE OF COMPLIANCE WITH CORPORATE GOVERNANCE REQUIREMENTS SPECIFIED IN REGULATIONS 17 TO 27 AND CLAUSES (B) TO (I) OF SUB-REGULATION (2) OF REGULATION 46 OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015ARE AS FOLLOWS:

Regulation	Particulars	Compliance Status
17	Board of Directors	Yes
18	Audit Committee	Yes
19	Nomination and Remuneration Committee	Yes
20	Stakeholders Relationship Committee	Yes
21	Risk Management Committee	NA
22	Vigil Mechanism	Yes
23	Related Party Transactions	Yes
24.	Corporate Governance requirements with respect to subsidiary of Listed company	NA
25	Obligations with respect to Independent Directors	Yes
26	Obligations with respect to Directors and Senior Management	Yes
27	Other Corporate Governance Requirements	Yes
46 (2)(b) to (i)	Website	Yes

M. CODE OF CONDUCT

The Company has formulated and implemented a Code of Conduct for Board Members and Senior Management of the Company. Requisite annual affirmations of compliance with the respective Codes have been made by the Directors and Senior Management of the Company.

N. DECLARATION ON CODE OF CONDUCT FOR THE YEAR 2019-2020.

This is to confirm that the Board has laid down a code of conduct for all Board members and senior management personnel of the Company. The code of Conduct has also been posted on the website of the Company. It is further confirmed that all Directors and senior management personnel of the Company have affirmed compliance with the Code of Conduct of the Company for the financial year ended on March 31, 2020 as envisaged in Regulation 26(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

O. CEO/ CFO Certification

The Managing Director and CEO/ CFO certification of the financial statements as specified in Regulation 17(8) read with Part B of Schedule II of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 for the year 2019-2020 is provided elsewhere in this Annual Report.

P. COMPLIANCE WITH THE MANDATORY REQUIREMENTS AND ADOPTION OF THE NON-MANDATORY REQUIREMENTS OF SEBI (LISTING OBLIGATIONS AND DISLOSURE REQUIREMENTS) REGULATIONS, 2015

All mandatory requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 have been appropriately complied with and the status of non-mandatory requirements is given below:

The Company has an Executive Chairman and the Board is having required number of Independent Directors.

The financial Statements are free from any Audit Qualifications.

Q. NON-EXECUTIVE DIRECTORS' COMPENSATION AND DISCLOSURES

None of the Independent / Non-Executive Directors has any pecuniary relationship or transactions with the Company which in the Judgment of the Board may affect the independence of the Directors.

R. RECONCILIATION OF SHARE CAPITAL:

A qualified Practicing Company Secretary carry out audit to reconcile the total admitted capital with the National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. Reconciliation of Share Capital Audit Report confirms that the total paid up capital was in agreement with the total number of shares in physical firm and the total number of dematerialized shares held \with NSDL and CDSL.

S. DISCLOSURE OF ACCOUNTING TREATMENT:

The Company has complied with the appropriate accounting policies and has ensured that they have been applied consistently. There have been no deviations from the treatment prescribed in the Accounting Standards notified under Section 133 of the Companies Act, 2013.

9. MEANS OF COMMUNICATION:

i. The Board of Directors of the Company approves and takes on record the quarterly, half yearly and yearly financial results in the Performa prescribed by Regulation 33 of SEBI (LODR), Regulations, 2015 within forty-five days/sixty days of the close of the respective

period.

ii. The approved financial results are forthwith sent to the listed Stock Exchanges and are published in the newspapers namely, The Financial Express and Nava Telangana within forty-eight hours of approval thereof.

iii. As the Company's quarterly/half yearly financial results are uploaded on Company's website www.vijaytextiles.in, the same are not mailed to the Shareholders.

•	Company Registration Details	The Company is registered in the State of Telangana, India. The Corporate Identity Number (CIN) allotted to the Company by the Ministry of Corporate Affairs (MCA) is L18100TG1990PLC010973.
•	Date	29th September,2020
•	Time	01.00 P.M.
•	Venue of AGM	Through Video Conference (VC)/Other Audio Visual Means.
•	Financial Calendar	1st April to 31st March.
•	Dividend payment date	--
•	Tentative Schedule for considering Financial Results:	
	For the Quarter ending June,2020	July/August,2020
	For the Quarter ending September, 2020	October/ November,2020
	For the Quarter ending December,2020	January/ February,2021
	For the Quarter/year ending March,2021	April/ May,2021
•	Date of Book Closure	23.09.2020 to 29.09.2020
•	Name and address of each stock exchange(s) at which the Company's securities are listed	BSE Limited PhirozeJeejeebhoy Towers Dalal Street, Mumbai 400 023
•	Confirmation of Payment of annual listing fees to stock exchanges	Paid to BSE, where the shares of the Company are listed
•	Scrip Code	530151
•	ISIN Number for NSDL & CDSL	INE256G01033
•	In case the securities are suspended from trading, the directors report shall explain the reason thereof	The securities of the Company are not suspended from trading by the Stock Exchanges.

•	Plant Locations	**Factory:** Mahaboobnagar, Telangana. **Wholesale Deport:** Kattedan, Telangana. **Retail Showrooms**: 1. Secunderabad, Telangana. 2. Ameerpet, Telangana. 3. Kukatpally, Telangana. 4. Dilsukhnagar, Telangana. 5. A.S. Rao Nagar, Telangana.
•	Address for correspondence:	Surya Towers, Ground Floor, 104, Sardar Patel Road Secunderabad - 500 003. Ph. No. 040-27848479, 27844086 Fax: 040-27846849 Email: Info@vijaytextiles.in
•	List of all Credit Ratings obtained by the entity along with any revisions thereto during the relevant financial year, for all debt instruments of such entity or any fixed deposit programme or any scheme or proposal of the listed entity involving mobilization of funds, whether in India or abroad.	Since the Company has not issued any Debt Instruments or Fixed Deposit Programme, therefore company has not obtained any Credit Ratings during the Financial Year.
•	Address for Correspondence	To be addressed to: Aarthi Consultants Pvt Ltd. 1-2-285, Domalguda, Hyderabad-500029 Phone: 040-27638111, 27634445 Fax: 040-27632184 Email: info@aarthiconsultants.com Web: www.aarthiconsultants.com.
•	Investor Correspondence / Query on Annual Report, etc.	S. Nagarajan Company Secretary Surya Towers, Ground Floor, 104, Sardar Patel Road Secunderabad - 500 003. Ph. No. 040-27848479, 27844086 Fax: 040-27846849 Email: Info@vijaytextiles.in Web: www.vijaytextiles.in

A. Registrars & Transfer Agents: Aarthi Consultants Private Limited

1-2-85, Domalguda, Hyderabad – 500029
Phone: 040-27638111, 27634445Fax: 040-2763218
Email: info@aarthiconsultants.com

B. Share Transfer System:

The Company's Shares are traded on BSE Limited compulsorily in the dematerialized from. Transfer of these shares is done through depositories with no involvement of the Company. However, all requests received for transfer of shares for off market transaction in physical from furnishing with a copy of PAN card of the transferee(s) in compliance with the SEBI circular in that behalf, are processed by the Registrars and Transfer Agents. The Share Transfers are registered and returned within a period of 15 day from the date of lodgement, if documents are complete in all respect.

All matters pertaining to share transfer in physical form are handled by the Registrars and Share Transfer Agents M/s. Aarthi Consultants Pvt Ltd, Hyderabad, who is registrar to the Company. The share transfer requests are processed by them and a transfer register is sent to the Company for approval once in a fortnight. There were no share transfers pending as on 31st March 2020.

C. Market price data:

Monthly High/Low of market price of the Company's shares traded on the BSE Limited.

S. No.	Month	High (Rs.)	Low (Rs.)
1	April, 2019	35.00	25.20
2	May, 2019	29.40	21.00
3	June, 2019	23.90	17.10
4	July, 2019	27.45	17.65
5	August, 2019	33.45	24.00
6	September, 2019	38.00	26.05
7	October, 2019	35.75	24.05
8	November, 2019	27.35	21.00
9	December, 2019	26.90	18.55
10	January, 2020	41.70	21.00
11	February, 2020	35.00	27.10
12	March, 2020	33.20	15.45

D. SHAREHOLDING PATTERN AS ON 31st MARCH, 2020:

Category code	Category of Shareholder	Total Number of shares	% of share holding	Shares pledged or otherwise encumbered	
				Number of Shares	As a percentage
(A)	Shareholding of Promoter and Promoter Group				
(1)	Indian				
a.	Individuals/Hindu Undivided Family	1,06,70,045	69.78	68,80,045	64.48
b.	Central Government/State Government(s)	--	--	--	--
c.	Bodies Corporate	--	--	--	--
d.	Financial Institutions/Banks	--	--	--	--
	Others :-	--	--	--	--
e.	Mutual Funds	--	--	--	--
f.	Trusts	--	--	--	--
	Sub Total (A)(1)	1,06,70,045	69.78	68,80,045	64.48
(2)	Foreign				
a.	Individuals (Non Resident Individuals/Foreign Individuals)	--	--	--	--
b.	Bodies Corporate	--	--	--	--
c.	Institutions	--	--	--	--
	Others :-	--	--	--	--
d.	Overseas Corporate Bodies	--	--	--	--
	Sub Total (A)(2)	--	--	--	--
	Total Shareholding of Promoter and Promoter Group	1,06,70,045	69.78	68,80,045	64.48
	(A)=(A)(1)+(A)(2)	1,06,70,045	69.78	68,80,045	64.48
(B)	Public Shareholding			--	--
(1)	Institutions	--	--	--	--
a.	Mutual Funds/UTI	--	--	--	--
b.	Financial Institutions/Banks	20	0.00	--	--
c.	Central Government/State Government(s)	--	--	--	--
d.	Venture Capital Funds	--	--	--	--
e.	Insurance Companies	--	--	--	--
f.	Foreign Institutional Investors	--	--	--	--

f.	Foreign Institutional Investors	--	--	--	--
g.	Foreign Venture Capital Investors	--	--	--	--
h.	Foreign Companies	--	--	--	--
	Sub Total (B)(1)	20	0.00	--	--
(2)	Non-Institutions			--	--
a.	Bodies Corporate	2,75,307	1.80	--	--
b.	Individuals			--	--
	i)Individual shareholders holding nominal share capital up to Rs.2 lakh	25,41,107	16.62	--	--
	ii)Individual shareholders holding nominal share capital in excess of Rs.2 lakh	16,87,761	11.04	--	--
c.	Any Others : -			--	--
	I) Non Resident Individuals	45,771	0.30	--	--
	ii) Overseas Corporate Bodies	--	--	--	--
	iii)Trusts	--	--	--	--
	iv)Employees	--	--	--	--
	v)Clearing Members	2,171	0.01	--	--
	vi)Foreign Nationals	--	--	--	--
	vii) NBFCs registered with RBI	--	--		
	viii) IEPF	67,818	0.45		
	Sub Total (B)(2)	46,19,935	30.22	--	--
	Total Public Shareholding (B)=(B)(1)+(B)(2)	46,19,955	30.22	--	--
	Total (A)+(B)	**1,52,90,000**	**100**	--	--
(C)	Shares held by Custodians and against Depository Receipts have been Issued	--	--	--	--
	Grand Total (A)+(B)+(C)	**1,52,90,000**	**100**	--	--

E. Distribution of Shareholding as on 31.03.2020:

SL. NO.	No. of equity Shares held	No. of Shareholders	%	No. of Shares	%
1	Upto - 5000	7595	91.32	721898	4.72
2	5001 - 10000	311	3.74	240488	1.57
3	10001 - 20000	154	1.86	226580	1.48
4	20001 - 30000	55	0.66	142315	0.93
5	30001 - 40000	32	0.38	116008	0.76
6	40001 - 50000	26	0.31	122084	0.8
7	50001 - 100000	59	0.71	452105	2.96
8	100001 and above	85	1.02	13268662	86.78
	TOTAL	**8317**	**100.00**	**15290000**	**100.00**

F. DEMATERIALISATION & LIQUIDITY OF SHARES:

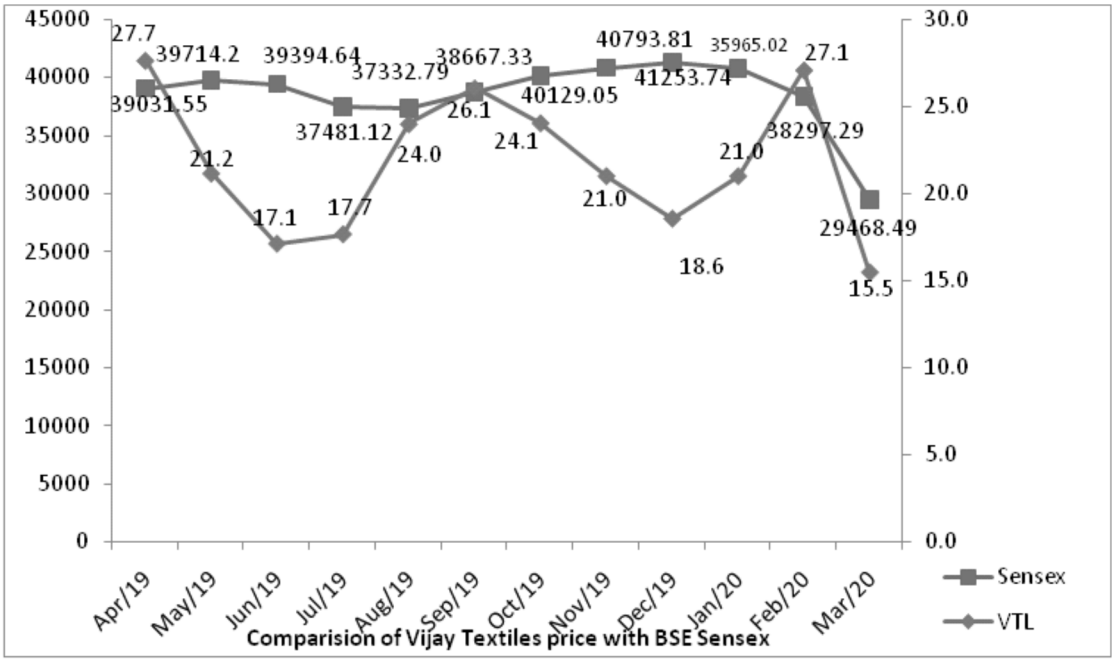
Dematerialization and Liquidity of Shares:

Trading in Company's shares is permitted only in dematerialized form for all investors. The ISIN allotted to the Company's scrip is INE256G01033. Investors are therefore advised to open a demat account with a Depository participant of their choice to trade in

Mode	No. of shares	% of total paid up
CDSL	1,29,47,423	84.68
NSDL	23,29,509	15.24
Physical	13,068	0.08
	1,52,90,000	100.00

G. There are no outstanding global depository receipts or American Depository Receipts likely to impact on the Equity. The Company has 49,30,000 outstanding convertible warrants as on 31st March 2020 of which 30,15,000 warrants are converted into equity shares and 19,15,000 warrants were forfeited on 8th June 2020.

H. STOCK PERFORMANCE IN COMPARISON TO BSE SENSEX:



GREEN INITIATIVE IN THE COPORATE GOVERNANCE

As part of the green initiative process, the Company has taken an initiative of sending documents like notice calling Annual General Meeting, Corporate Governance Report, Directors Report, Audited financial Statements, Auditors Report, Dividend intimations etc., by email Physical copies are sent only to those shareholders whose email addresses are not registered with the Company and for bounced mail cases. Shareholders are requested to register their email id with Registrar and Share Transfer Agent/concerned depository to enable the Company to send the documents in electronic from or inform the Company, in writing, in case they wish to receive the above documents in paper mode.

For and on behalf of the Board of
Vijay Textiles Limited

Sd/-
Vijay Kumar Gupta
Chairman & Managing Director
(DIN:01050958)

Place: Secunderabad
Date: 27.08.2020

PRACTICING COMPANY SECRETARY CERTIFICATE ON CORPORATE GOVERNANCE

To

The Members

Vijay Textiles Limited

We have examined the compliance of the conditions of Corporate Governance by Vijay Textiles Limited ('the Company') for the year ended on March 31, 2020, as stipulated under Regulations 17 to 27, clauses (b) to (i) of sub-regulation (2) of Regulation 46 and para C, D & E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").

The compliance of the conditions of Corporate Governance is the responsibility of the management. Our examination was limited to the review of procedures and implementation thereof, as adopted by the Company for ensuring compliance with 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, and the representations made by the Directors and the management and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India warranted due to the spread of the COVID-19 pandemic, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations for the year ended on March 31, 2020.

We further state that such compliance 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 S.S. Reddy & Associates

Sd/-
S. Sarveswar Reddy
Practicing Company Secretary
C.P. No. 7478
UDIN: A012611B000622101

Date: 27.08.2020
Place: Hyderabad

CERTIFICATE BY THE MANAGING DIRECTOR AND CFO OF THE COMPANY

To
The Board of Directors
Vijay Textiles Limited

Dear Sirs,

As required under Regulation 17(8) read with Part B, Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we state that:

1. We have reviewed the financial statements and the cash flow statement for the year ended 31stMarch 20 and to the best of our knowledge and belief;

   a. These statements do not contain any materially untrue statement nor omit any material fact nor contain statements that might be misleading, and

   b. These statements present a true and fair view of the company's affairs and are in compliance with the 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. We accept responsibility for establishing and maintaining internal controls, 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 the operation of internal controls, if any, of which I was aware and the steps that I have taken or propose to take and rectify the identified deficiencies and,

4. That we have informed the auditors and the audit committee of:

   a) Significant changes in the internal control during the year;

   b) Significant changes 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 of which we have become aware and the involvement of any employee having a significant role in the company's internal control system.

For and on behalf of the Board of
Vijay Textiles Limited

Sd/-	Sd/-
Vijay Kumar Gupta	Susheel Kumar Gupta
Managing Director	CFO
(DIN:01050958)	

Place: Secunderabad
Date: 27.08.2020

DISCLOSURE WITH RESPECT TO DEMAT SUSPENSE ACCOUNT/ UNCLAIMED SUSPENSE ACOUNT

As per Regulation 34(3) read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the company hereby discloses the details of unpaid/unclaimed dividend and the respective share thereof as follows:

Aggregate No. of Shareholders and the outstanding shares in the suspense account at the beginning of the year.	No. of shareholders who approached the company for transfer of shares from suspense account during the year.	No. of shareholders to whom shares were transferred from suspense account during the year.	Aggregate No. of Shareholders and the outstanding shares in the suspense account at the end of the year.
NIL	NIL	NIL	NIL

Voting Right on these shares shall remain frozen till the rightful owner of such shares claims the shares.

Unclaimed Dividend:

Pursuant to the provisions of Section 123 of the Companies Act, 2013, dividend which remains unpaid or unclaimed for a period of seven years from the date of its transfer to unpaid dividend account is required to be transferred by the Company to Investor Education and Protection Fund (IEPF), established by the Central Government pursuant to Section 125 of the Companies Act, 2013.

Members who have not so far encashed the dividend warrant(s) are requested to seek revalidation of dividend warrants in writing to the Company's Registrar and Transfer Agents, M/S. Aarthi Consultants Pvt., Ltd., immediately. Members are requested to not that no claims shall lie against the Company in respect of any amounts which were unclaimed and unpaid for a period of seven years from the dates that they first became due for payment and no payment shall be made in respect of any such claims.

Members are also advised to update their correspondence address in their demat accounts in case of their holdings are in electronic form or inform their latest correspondence address to the Registrars in case of holdings in physical form.

Information in respect of such unclaimed dividends due for transfer to the Investor Education and Protection Fund (IEPF) is as follows.

Year	Dividend-Type	Date of Declaration	Due Date of Transfer
2017-2018	Final	28.09.2018	03.11.2025

It may be noted that no claims shall lie against the Company in respect of any amount of dividend remaining unclaimed/unpaid for a period of seven (7) years from the dates of they become due for payment. Members who have not claimed the dividends declared for the financial year March 31, 2010 and onwards are requested to lodge their claim immediately with the Company's Registrar and Transfer Agents at the address mentioned in the Annual Report. The Company has already send reminders to all such members at their registered address in this regard. Further, as per Section 124(6) of the Act read with IEPF Rules, all shares in respect of which dividend has not been paid or claimed for seven (7) consecutive years has to be transferred, under sub-Section 5 of the Act, to the IEPF Suspense Account (in the name of the Company) with one of the Depository Participants as may be identified by the IEPF Authority, within thirty (30) days of such shares becoming due to be transferred to the IEPF. However, proviso to sub-Section 6 provides that the shares transferred to the IEPF can be claimed by the concerned shareholders(s) from IEPF Authority after complying with the procedure prescribed under the IEPF Rules.

The Ministry of Corporate Affairs vide their Notification Dated 13.10.2017 amended the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 specifying that vide the period of 7 years provided under Section 1 to seek 24(5) has been completed are been completed during the period 07.09.2016 to 31.10.2017, the due date of transfer of such shares shall be deemed to be 31.10.2017.

Accordingly, the Company has transferred the shares to IEPF account pertaining to the year 2008-2009 – 29,187 Shares and 2009-2010 – 11,488 Shares totalling to 40,675 Shares.

Depository Services:

For guidance on Depository services, shareholders may write to the Company or to the respective Depositories

National Securities Depository Ltd, Trade World, 4th Floor, Kamala Mills Compound, SenapatiBapatMarg, Lower Patel, Mumbai - 400 013. Tel: 022-24994200 Fax: 022-24972993/24976351 Email: info@nsdl.co.in	Central Depository Services (I) Ltd. PhirozeJeejeebhoy Towers, 28th Floor, Dalal Street, Mumbai– 400 023. Tel: 022-22723333, 022-22723224 Fax: 022-22723199 Email: investors@cdslindia.com
Nomination Facility :	Shareholders holding shares in physical form and desirous of making a nomination in respect of their shareholding in the Company as permitted under the provisions of the Companies Act,2013 are requested to submit to the RTA in the prescribed form for this purpose.
Company's Policy on prevention of insider trading :	Pursuant to the requirements of SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended, the Company had framed a Code of Conduct for prevention of insider trading.Shri S. Nagarajan, Company Secretary, has been appointed as the Compliance Officer for this purpose. The code is applicable to all such employees of the Company, who are expected to have access to the unpublished price sensitive information relating to the Company and the same is being implemented as a self-regulatory mechanism.

Annexure-IX

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

INDUSTRY STRUCTURE, DEVELOPMENTS AND PERFORMANCE:

During the last few years, the furnishing industry has made rapid strides, undergone transformation and grown in size and stature, largely influenced by changing consumer tastes and mass appeal. Impact of growth of housing and infrastructure sectors has played a stellar role in shaping this industry as an organized one. These sectors indeed play role of catalysts in providing impetus to growth this industry. Needless to say, in global scenario this industry has shown significant growth. Overall economic changes coupled with increase in general spending power has propelled the consumers to splurge more money on furnishing and in decorating their homes and offices. Current trends do support further growth potential of this segment and the Company is making concerted efforts to capitalize on the same.

The Company, taking a cue from all round growth witnessed by the furnishing industry, has successfully cemented its place as a large player in the domestic arena. The Company's core strength has been its well-established pan India dealer network for wholesale, 5 world class large format retail stores strategically located in the twin cities of Hyderabad and Secunderabad and fine blend of infrastructure to navigate new markets for business development. The major clientele consists of NRIs, reputed institutes, corporate customers and people from by far from all the strata of the society.

To add to its strength, the Company lays highest emphasis on bringing out latest designs of different hues and colors coupled with splendid range to choose from. the Company has engaged itself in continuous innovation of products and strives to cater to all the segments that matter, mainly on the strength of its world class quality products with wider range and price choices.

The Company has a state of the art and most modern Embroidery Unit within its factory premises initially set up in the year 2009, which has 40 fully automatic embroidery machines imported from Japan. In-house embroidery unit extends an edge to the Company in adding value to its increasingly popular products thus inducing increased demand for embroidered fabric. Embroidered furnishing fabric and bed linen have together enabled the Company to increase its stronghold and thus seize a sizeable market share too. Not the least, high class and state of the art embroidery on fabrics is a strong value addition to the products that the Company manufactures.

The company believes in policy of continuing innovation and improvisation in quality of its products , which are indeed its hallmarks; that has enabled the Company to extend its market reach and capture a sizeable market share.

OPPORTUNITIES AND THREATS:

The furnishing fabric market is considered as ever growing one, yet it has witnessed a radical change in consumer tastes and liking due to changing lifestyles in line with changing times. The economic changes and liberalization have played a big role in elevating the living standards and

is also instrumental, to a large extent, in adding up to general spending power. The boom witnessed in the housing sector has indeed added spice to peoples' taste sand their zest for sophistication. The Company operates in a highly competitive environment, where its competence and core experience has helped it in keeping pace with the developments around.

The Company does not foresee any immediate threat to its domain merely because of size of its operations. Being a manufacturer, a wholesaler and its retail operations all skewed together under one umbrella are in fact the key factors and hallmarks that other competitors find it difficult to dislodge it from its leadership position. Constant innovation has helped the Company too in retaining the edge in the contemporary markets to sustain growth.

The furnishing industry has by and large been able to withstand the market slow down at times and fluctuation in prices of essential raw materials to a considerable extent. The Company has kept pace with the advancements around and forged its synergies in innovating techniques and competes well in design and development of its range of products to be at the competition, persistent with constant improvisation, astute pricing policy and highest quality standards.

SEGMENT–WISE OR PRODUCT-WISE PERFORMANCE:

Segments are identified having regard to the dominant source and nature of risks and returns and internal organization and management structure. The Company has considered business segments as the primary segments for disclosure.

The Company does not have any geographical segment.

OUTLOOK:

The industry is witnessing all-round growth in the global scenario, which is coupled with rise in demand in the housing and infrastructure. Changing lifestyles and people's acumen to spend more on this luxury and necessity are the key factors in its growth pattern too. These factors will help the Company to achieve its projected growth outlined for the future. General and persistent economic slowdown due to various external factors affecting the markets, is in fact a disheartening factor, as it has not allowed the contemporary markets to swing back into revival mode, yet the Company through its aggressive marketing strategy is trying to overcome it in a good measure. This augurs well for your Company in changing its outlook to positive for the current financial year. With increased focus on enhancing its product portfolio and introduction of new range of embroidered fabrics, your Company is well poised to grow at the expected pace and show consistent results.

The Company plans to continue its thrust in retail segment aimed at further ensuring a horizontal growth and to extend its reach to the untapped segments that will help in achieving its long-term goals besides ultimately allowing the Company to the stage of consolidation.

The events of the last ten days of the fiscal year have brought to light the shape of difficult things to come. The Company has responded well to the initial challenges that have come in the way so far and engaged well in defining its strategies to counter the effects that may be in offing further. The lockdowns tested the agility, resilience and adaptability of our operational model. The Company has responded to the challenge with agility and have emerged stronger.

When we emerge out of this crisis, the world will be a very different place. We are witnessing many of those changes already. The experience gained during this unprecedented and unforeseen circumstances due to outbreak of pandemic, people are discovering new synergies at work and culture that existed in the pre-COVID era.

RISKS AND CONCERNS:

The Company remains apprehensive of the market environment and the conditions of general economic slowdown and downturn, which is not allowing the contemporary markets to go into revival mode. Market buoyancy and fluctuating prices of raw materials are key concerns, which are to be addressed appropriately to ensure projected growth. The Company is hopeful that by constantly bringing in new products through innovation and employing new marketing strategies will greatly help it in mitigating the adverse impacts apprehended thus Industry by and large continues to witness a general economic slowdown which is in fact a decisive factor impairing growth.

Recent events have highlighted the importance of building organizational resilience, agility and adaptability. At the heart of any organization's resilience is its people, supported by enabling processes and technologies. The Company too has outlined its strategies well to bring out the best out of its work force in the trying circumstances and looks ahead for better results.

The Company's track record of navigating multiple economic cycles and technology changes over the past three decades can be traced to its culture of empowerment and its purpose-driven view.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:

The Company has an adequate internal control system which commensurate with the size and nature of its business. The internal control system is being supported by internal audits, regular reviews by management to ensure reliability of financial and all other records to prepare financial statements and other data.

Further the Audit Committee of the Board review the findings and recommendations of the internal audit and suitable implementations are affected.

DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE:

The Company achieved a gross turnover of Rs.6581.13 Lakhs during the year and net loss of Rs. 574.56 Lakhs during the year under review. Notwithstanding adverse trends prevalent and stressful environment that continues to persist, the company's results, though bely expectations, are rated as satisfactory.

The Company looks ahead with hopes to continue its good run and sustained growth in the current financial year and years to follow. The Company is pushing up its marketing synergies to gain access to newer markets with its product innovation strategies, improvement in overall operations and introduction of new range of products in line with prevalent trends that will help it to sail well in the ensuing financial year.

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

There are no material developments in the Human Resources area. The Industrial relations have been considered to be satisfactory. The Company constantly reviews the manpower requirements and effective steps are being taken to meet the requirements. The total number of people directly and indirectly employed by the Company is312.

DETAILS OF SIGNIFICANT CHANGES (I.E CHANGES OF 25% OR MORE AS COMPARED TO THE IMMEDIATELY PREVIOUS FINANCIAL YEAR) ON KEY FINANCIAL RATIOS ALONG WITH DETAILED EXPLANATIONS THEREFOR.

There are no significant changes of 25% or more during the year under review when compared to previous financial year.

Key Financial ratios are as under:

1	Debtors Turnover Ratio	2.43 :1
2	Inventory Turnover Ratio	1.94 :1
3	Interest Coverage Ratio	0.74 :1
4	Current Ratio	2.30 : 1
5	Debt Equity Ratio	13.25 : 1
6	Operation Profit Margin(%)	(7.04%)
7	Net Profit Margin (%)	(8.73%)

DETAILS OF ANY CHANGE IN RETURN ON NETWORTH AS COMPARED TO THE IMMEDIATELY PREVIOUS FINANCIAL YEAR ALONG WITH A DETAILED EXPLANATION THEREOF.

During the year under review, the Return on Net Worth is (37.58%) when compared to the previous year of 19.90%. The reason for the drastic downfall is due to lower turnover on account of general downfall in the industry and also due to increase in Share Capital.

DISCLOSURE OF ACCOUNTING TREATMENT:

The Company has not carried out any treatment different from that prescribed in Accounting Standards.

NOTE:

Readers are advised to kindly note that the above discussion contains statements about risks, concerns, opportunities, etc., which are valid only at the time of making the statements. A variety of factors known/unknown expected or otherwise may influence the financial results. We do not expect these statements to be updated or revised to take care of any changes in the under lying presumptions.

Readers may therefore appreciate the context in which these statements are made before making use of the same.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF VIJAY TEXTILES LIMITED

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Vijay Textiles Limited (the 'Company') which comprise the Balance Sheet as at 31 March, 2020, the Statement of Profit & Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (here in after referred to as "the financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March, 2020, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of Financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the independence requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

S.no	Key audit Matter	Auditor Response
1.	**Delay in Payment of loan installments** **Generally, the term loan installments are duly paid with minute delay, but the installment for the month of Dec'19, Jan'20, February'20 & March'20 were not paid on the due date.**	Principal Audit Procedure: Our audit procedures included the following: We obtained an understanding from the management, assessed and tested the design and operating effectiveness of the Company's key controls over the payment of the loan installments. We have noted that the company has opted for the moratorium for repayment of term loans/working capital as per the circular issued by the RBI dated 27 March, 2020, on COVID-19 Regulatory Package.

Information other than the 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 Directors' Report, Management Discussion & Analysis and Corporate Governance Report, but does not include the financial statements and our auditor's report thereon.

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

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

If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the company in accordance with Ind AS and other

accounting principles generally accepted in India.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the companyand for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Management isresponsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are responsible for overseeing the financial reporting process of the company.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern.

  If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

  From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our 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 Section 143 (3) of the Act, based on our audit we report that:

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

(b) In our opinion, proper books of account as required by law have been kept by the Company so far asit appears from our examination of those books;

(c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), Cash Flow Statement and the Statement of Changes in Equity dealt with by this report are in agreement with the books of account;

(d) In our opinion, the aforesaid financial statements comply with the Ind AS 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 31 March , 2020, taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2020 from being appointed as a director in terms of Section 164 (2) of the Act;

(f) With respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls, refer to our separate Report in **"Annexure B"**. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the company's internal financial controls over financial reporting.

(g) With respect to the other matters to be included in the Auditor's report in accordance with the requirements of Section 197(16) of the act, as amended :

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the company to its directors during the year is 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, 2014 as amended, in our opinion and to the best of our information and according to the explanations given to us:

(i) The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 24.1 (iii) to the financial statements;

(ii) The Company did nothave any long-term contracts including derivative contracts for which there were any material foreseeable losses;

(iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

2. 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 Companies Act, 2013, we give in the **"Annexure A",** a statement on the matters specified in paragraphs 3 and 4 of the Order.

For Laxminiwas & Co.
Chartered Accountants
Firm's Registration Number: 011168S

Vijay Singh
Partner
Membership Number: 221671
UDIN:20221671AAAAHQ4991

Hyderabad
31.07.2020.

Annexure A to the Auditors' Report

The Annexure referred to in Independent Auditors' Report to the members of the Company on the financial statements for the year ended 31st March 2020, we report that:

(i). In respect of the company's fixed assets

a. The Company is maintaining proper records showing full particulars including quantitative details and situation of fixed assets.

b. Fixed assets are physically verified by the Management during the year in phased programme of verification, which in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies have been noticed on such verification.

c. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.

(ii). The inventory has been physically verified on sample basis by the management during the year. The discrepancies noticed on verification between the physical stocks and the book/records were not material, nevertheless those have been dealt properly within the books of accounts.

(iii). According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Companies Act, 2013. Accordingly, para 3(iii) (a), (b) and (c) of the order are not applicable.

(iv). In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans and investments made.

(v). The company has not accepted any deposits during the year and does not have any unclaimed deposits as at 31st March, 2020 and therefore the provisions of the clause 3 (v) of the order are not applicable to the company.

(vi). We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended and prescribed by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013, and are of the opinion that, prima facie, the prescribed cost records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete

(vii). a). According to the information and explanations given to us and the records of the company examined by us, the company is generally regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Employees' State Insurance, Income tax, Customs duty, Cess, Goods and Service Tax and any other statutory dues applicable to it as on 31st March 2020.

b) According to the information and explanations given to us, following are the undisputed amounts payable in respect of income tax and duty of customs were in arrears as at 31st March 2020 for a period of more than six months from the date they became payable.

Type of Dues	Assessment year	Amount Outstanding as on 31.03.2020	Amount Outstanding as on 31.03.2019
Income Tax	2020-21	42,94,313	42,94,313
Customs Duty	2020-21	20,14,127	85,14,127

(c) According to the information and explanations given to us, there are no dues of Income tax, Customs duty and Goods and Service Tax which have not been deposited with the appropriate authorities on account of any dispute except as under:

Type of Dues	Assessment year	Amount Outstanding as on 31.03.2020	Amount Outstanding as on 31.03.2019	Appeal Pending with
Income Tax	2009-10	88,36,190	88,36,190	CIT Appeals – IV

(viii). According to the information and explanation given to us, the company has defaulted in repayment of dues to bank and financial institutions as at balance sheet date, which includes the March'20 amount as well, which is under moratorium.

Particulars	Month of default	Amount of default as at the balance sheet date (Principal amount)	Amount of default as at the balance sheet date (Interest amount)	Remarks, if any.
Axis	Dec'19 to Mar'20	67,20,000	10,09,951	Will be paid in following month
SBH	Dec'19 to Mar'20	3,50,36,000	44,73,905	Will be paid in following month
SBI	Dec'19 to Mar'20	1,16,96,128	10,50,256	Will be paid in following month
	Total	5,34,52,128	65,34,112	

(ix). The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable.

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

(xi). In our opinion and according to the information and explanations give to us, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.

(xii). In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable to the company.

(xiii). According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

(xiv). According to the information and explanations given to us and based on our examination of the records of the Company, the company has not made any allotment during the year. Accordingly, paragraph 3(xiv) of the Order is not applicable to the company.

(xv). According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.

(xvi). The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

For Laxminiwas & Co.
Chartered Accountants
Firm's Registration Number: 011168S

Vijay Singh
Partner
Membership Number: 221671
UDIN:20221671AAAAHQ4991

Hyderabad
31.07.2020.

Annexure - B to the Auditors' Report

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

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

Management's Responsibility for Internal Financial Controls

The Board of directors of the company 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 issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

(1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

(2) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and

(3) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Laxminiwas & Co.
Chartered Accountants
Firm's Registration Number: 011168S

Vijay Singh
Partner
Membership Number: 221671
UDIN:20221671AAAAHQ4991

Hyderabad
31.07.2020.

NOTES TO FINANCIAL STATEMENTS

NOTE 1: SIGNIFICANT ACCOUNTING POLICIES

1.1. Corporate Information

Vijay Textiles Limited ("the Company") is a public domiciled in India and incorporated under the Companies Act, 1956. Its shares are listed on Bombay Stock Exchange Limited in India. The Company is engaged in the manufacturing of Textiles.

1.2. Basis of Preparation and Presentation

The financial statements of the Company have been prepared in accordance with Indian Accounting standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 and Companies Accounting Standard (Amendment Rules 2016).

1.3. PREPARATION OF FINANCIAL STATEMENTS

a) Basis of Accounting

The financial statements of the Companyhave been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015.

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

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into 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 basis, except for measurements that have some similarities to fair value but are not fair value, such as net realizable value in Ind AS 2.

b) Significant accounting judgments, estimates and assumptions

The preparation of the Company's financial statements in conformity with Ind AS requires management to make judgments, 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 management believes that the estimates used in preparation of financial statements is prudent and reasonable.

Estimates and underlying assumptions are reviewed at each reporting date. Revisions to

accounting estimates are recognized in the period in which the estimate is revised and future period is effected.

c) Current/ Non-Current Classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

i. Expected to be realized or intended to be sold or consumed in normal operating cycle

ii. Held primarily for the purpose of trading

iii. Expected to be realized within twelve months after the reporting period, or

iv. Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

i. It is expected to be settled in normal operating cycle

ii. It is held primarily for the purpose of trading

iii. It is due to be settled within twelve months after the reporting period, or

iv. There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current.

1.4. PROPERTY , PLANT AND EQUIPMENT

Property, plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price, nonrefundable taxes and directly attributable cost of bringing the asset to its present location and condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Capital work in progress includes cost of property, plant and equipment under installation /under development as at the balance sheet date. Property, plant and equipment are eliminated from financial statements, either on disposal or when retired from active use. Losses arising in the case of retirement of property, plant and equipment and Gains or losses arising from disposal of property, plant and equipment are recognized in the statement of profit and loss in the year of occurrence. The asset residual values, useful lives and methods of depreciation are reviewed at each financial year end and adjusted prospectively, if appropriate.

Advances given towards acquisition of fixed assets outstanding at each balance sheet date are disclosed as "Capital Advance" under Other Non-Current Assets.

Depreciation on the property, plant and equipment is provided over the useful life of asset as specified in schedule II to the Companies Act 2013. Property, plant and equipment which are added/ disposed off during the year, depreciation is provided on pro rata basis with reference to the month of addition/ deletion. In case of the following category of property, plant and equipment, the depreciation has been provided based on the technical evaluation of the remaining useful life which is different from the one specified in schedule II to the Companies Act 2013.Any Capital Expenditure costing Rs. 5,000 or less are treated as a Revenue Expenditure and recognized in the statement of profit and loss in the year in which it is incurred.

Depreciation on assets has been provided on the straight-line methodas per the useful life prescribed in Schedule II to the Companies Act, 2013.

'Leasehold improvements are amortized over the duration of the lease.

Intangible assets are recognized when it is probable that the future economic benefits that are attributable to the assets will flow to the Group and the cost of the assets can be measured reliably.

Intangible assets are stated at cost or acquisition less accumulated amortization and impairment loss, if any.

Intangible assets including software is amortized over their estimated useful life on straight line basis from the date they are available for intended use, subject to impairment test.

The estimated useful life of the intangible assets and the amortization period are reviewed at the end of each financial year and the amortization period is revised to reflect the changed pattern, if any.

Subsequent cost

Subsequent costs incurred for replacement of a major component of an asset should be included in the asset's carrying cost or recognized as a separate asset, as appropriate. The carrying value of the replaced component should be recognized to statement of Profit and Loss when replaced.

Derecognition

An item of property, plant and equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognized.

1.5. REVENUE RECOGINITION

Revenue is recognized 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 made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government. The Company has concluded that it is the principal in all of its revenue arrangements since it is the primary obligor in all the revenue arrangements as it has pricing latitude and is also exposed to inventory and credit risks.

a) Interest income

Interest Income from financial asset is recognized when it is probable that the economic benefits flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the asset's net carrying amount on initial recognition.

b) Other income

Revenue in respect of other income is recognized when a reasonable certainty as to its realization exists.

1.6. LEASES

(a) Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor are recognized as operating leases. Lease rentals under operating leases are recognized in the Statements of Profit and Loss on accrual basis.

(b) Assets created on the leasehold property are depreciated over the period of the lease.

1.7. INVENTORIES

(a) Raw Materials, work in progress, finished goods, packing materials, stores, spares, consumables and stock-in-trade are carried at the lower of cost and net realizable value.

(b) In determining cost of raw materials, packing materials, stock-in-trade, stores, spares and consumables, First-In-First-Out method is used. Cost of inventory comprises all costs of purchase, duties, taxes (other than those subsequently recoverable from tax authorities) and all other costs incurred in bringing the inventory to their present location and condition.

(c) Cost of finished goods and work-in-progress includes the cost of raw materials, packing materials, an appropriate share of fixed and variable production overheadsand other costs incurred in bringing the inventories to their present location and condition.

(d) Net realizable value is the estimated selling price in the ordinary course of business, less the estimated cost of completion and the estimated costs necessary to make the sale.

1.8. RETIREMENT BENEFITS TO EMPLOYEE

(a) Defined Contribution Plan:

Retirement benefit in the form of provident fund is a defined contribution scheme. The contributions to the provident fund are charged to the statement of profit and loss for the year when the contributions are due.

(b) Defined Benefit Plan:

For defined benefit plans in the form of gratuity fund, the cost of providing benefits is determined using the Projected Unit Credit method, with actuarial valuations being carried out at each balance sheet date. Actuarial gains and losses are recognised in the Statement of Profit and Loss in the period in which they occur.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

Past service costs are recognized in profit or loss on the earlier of:

(i) The date of the plan amendment or curtailment, and

(ii) The date that the Company recognizes related restructuring costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognizes the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

(i) Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routineSettlements; and

(ii) Net interest expense or income

1.9. FOREIGN CURRENCY TRANSACTIONS AND BALANCES

(a) Initial Recognition

Foreign currency transactions are recorded using the exchange rates prevailing on the date's respective transactions. Exchange differences arising on foreign currency transactions settled during the year are recognized in the Statement of Profit and Loss.

(b) Measurement of foreign currency items at the Balance Sheet date

Monetary assets and liabilities denominated in foreign currencies as at the balance sheet date, not covered by forward exchange contracts, are translated at year end rates. The

resultant exchange differences are recognized in the Statement of Profit and Loss. Non-Monetary assets are recorded at the rates prevailing on the date of the transaction.

1.10. 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, if any.

Borrowing costs, which are directly attributable to the acquisition/construction of fixed assets, till the time such assets are ready for intended use, are capitalized as part of the costs of such assets. Other Borrowing costs are recognized as expenses in the year in which they are incurred.

1.11. EARNINGS PER SHARE

Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post-tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year.

Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post-tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average market value of the outstanding shares). Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for share splits / reverse share splits and bonus shares, as appropriate to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares. The dilutive potential equity shares are deemed to be converted as of the beginning of the year, unless they have been issued at a later date.

1.12. TAXATION

Tax expense comprises of current tax (i.e. amount of tax for the period determined in accordance with the Income Tax Act, 1961) and deferred tax charge or credit (reflecting the tax effects of timing differences between accounting income and taxable income for the period).

(a) Current Income Tax:

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Company operates and generates taxable income.

Current income tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognized in correlation to the underlying transaction either in Other Comprehensive Income (OCI) or directly in equity. Management periodically evaluates positions taken in the tax returnswith respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

(b) Deferred Tax:

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognized for all taxable temporary differences, except:

(i) When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

Deferred tax assets are recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized, except:

When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity.

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.

1.13. IMPAIRMENT OF ASSETS

The carrying values of assets / cash generating units at each balance sheet date are reviewed for impairment. If any indication of impairment exists, the recoverable amount of such assets is estimated and impairment is recognized, if the carrying amount of these assets exceeds their recoverable amount. The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor. When there is indication that an impairment loss recognised for an asset in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the Statement of Profit and Loss, except in case of revalued assets.

1.14. PROVISIONS AND CONTINGENCIES

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in the Notes. Contingent assets are not recognised in the financial statements.

Contingent Assets are neither recognised nor disclosed in the financial statements.

Contingent liability is disclosed for:

- Possible obligations which will be confirmed only by future events not wholly within the control of the Company or
- Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

1.15. FINANCIAL INSTRUMENTS

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Initial recognition and measurement

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the

market place (regular way trades) are recognized on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

(i) Debt instruments at amortized cost.

(ii) Debt instruments at fair value through other comprehensive income (FVTOCI)

(iii) Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL).

(iv) Equity instruments measured at fair value through other comprehensive income (FVTOCI).

Debt instruments at amortized cost

A 'debt instrument' is measured at the amortized cost if both the following conditions are met:

a) The asset is held within a business model, whose objective is to hold assets for Collecting contractual cash flows,

And

b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

This category is the most relevant to the Company. After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method.

Equity investments

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

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

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) isprimarily derecognized (i.e. removed from the Group's consolidated balance sheet) when:

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

(ii) The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either

(a) The Company has transferred substantially all the risks and rewards of the asset, or

(b) theCompany has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Loans and borrowings

This is the category most relevant to the Company. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit and loss.

Derecognition

A financial liability is derecognized 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 derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit or loss.

Fair Value Measurement

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 into 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 basis, except for measurements that have some similarities to fair value but are not fair value, such as net realizable value in Ind AS.

BALANCE SHEET AS AT 31.03.2020

Particulars	Notes	As at 31.03.2020 Rs	As at 31.03.2019 Rs
ASSETS			
NON-CURRENT ASSETS			
(a) Property, plant and equipment	2A	77,43,56,963	70,26,96,722
(b) Capital work-in-progress		20,82,883	-
(c) Intangible Assets	2B	1,33,974	2,30,873
(d) Other Non - current Assets	3	2,39,95,303	2,39,93,303
TOTAL NON - CURRENT ASSETS		**80,05,69,123**	**72,69,20,898**
CURRENT ASSETS			
(a) Inventories	4	1,27,53,49,460	1,39,80,61,873
(b) Financial Assets			
(i) Trade receivables	5A	1,60,02,84,278	1,41,85,27,581
(ii) Cash and cash equivalents	5B	15,76,375	22,65,771
(iii) Other Financial Assets	5C	14,98,92,051	14,84,37,023
(c) Other current Assets	6	1,21,26,753	2,77,42,717
TOTAL CURRENT ASSETS		**3,03,92,28,917**	**2,99,50,34,965**
TOTAL ASSETS		**3,83,97,98,039**	**3,72,19,55,863**
EQUITY AND LIABILITIES			
EQUITY			
(a) Equity Share Capital	7	15,29,02,689	15,29,02,689
(b) Other Equity		1,03,33,42,285	1,09,07,97,978
TOTAL EQUITY		**1,18,62,44,974**	**1,24,37,00,667**
LIABILITIES			
NON-CURRENT LIABILITIES			
(a) Financial Liabilities			
(i) Borrowings	8A	1,14,64,32,503	1,18,39,00,550
(b) Deferred Tax Liabilities (Net)	9	8,78,60,942	7,65,30,390
(c) Other Non Current Liability	10	9,85,76,113	-
TOTAL NON - CURRENT LIABILITIES		**1,33,28,69,558**	**1,26,04,30,940**
CURRENT LIABILITIES			
(a) Financial Liabilities			
(i) Borrowings	11A	67,68,23,097	68,22,26,036
(ii) Trade payables	11B		
Dues to micro and small enterprises		-	-
Dues to others		17,97,23,788	18,07,29,313
(iii) Other financial liabilities	11C	41,70,06,676	31,75,59,464
(b) Other current liabilities	12	2,34,78,831	1,84,15,500
(c) Provisions	13	1,93,56,803	1,45,99,630
(d) Income tax liabilities (net)	14	42,94,313	42,94,313
TOTAL CURRENT LIABILITIES		**1,32,06,83,508**	**1,21,78,24,256**
TOTAL EQUITY AND LIABILITIES		**3,83,97,98,039**	**3,72,19,55,864**
Significant accounting policies and notes on accounts	1 & 24		

The accompanying notes form part of the financial Statements

As per our Report of even date attached
For LAXMINIWAS & Co
Chartered Accountants
Firm Registration No:011168S

Vijay Singh
Partner
Membership No: 221671

Place: Hyderabad
Date : 31.07.2020

For and on behalf of the Board of Directors of
Vijay Textiles Limited
CIN : L18100TG1990PLC010973

Sd/-
Vijay Kumar Gupta
Chairman & Managing Director
DIN:01050958

Sd/-
Susheel Kumar Gupta
Executive Director & CFO
DIN:00362714

Sd/-
S. Nagarajan
Company Secretary
M.No:2532

STATEMENT OF PROFIT & LOSS FOR THE PERIOD ENDED 31.03.2020

Particulars	Notes	For the year 31.03.2020 Rs	For the year 31.03.2019 Rs
INCOME			
Revenue from Operations	15	65,81,12,784	94,85,24,046
Other Income	16	48,86,040	1,04,84,797
TOTAL REVENUE FROM OPERATIONS		**66,29,98,824**	**95,90,08,843**
EXPENSES			
Cost of Materials Consumed	17	15,15,95,175	28,56,03,317
Purchase of Stock -in -Trade		1,67,43,695	19,41,21,246
Packing Material Consumed	18	24,54,073	25,06,519
Changes in Inventories of Finished Goods and Work -in-Progress	19	9,88,53,956	(5,33,49,109)
Manufacturing Expenses	20	7,07,43,987	5,98,16,183
Employee Benefit Expenses	21	7,01,18,349	7,10,63,267
Finance Costs	22	17,75,05,123	21,90,11,874
Depreciation and Amortization Expenses	2A & 2B	7,58,60,053	6,58,63,337
Other Expenses	23	4,54,79,189	9,29,35,576
TOTAL EXPENSES		**70,93,53,601**	**93,75,72,210**
Profit/(loss) before tax		**(4,63,54,777)**	**2,14,36,633**
TAX EXPENSES			
(a) Current tax		-	49,56,327
(b) Deferred tax		1,12,70,847	(1,36,66,923)
TOTAL TAX EXPENSES		**1,12,70,847**	**(87,10,596)**
PROFIT/(LOSS) FOR THE PERIOD		**(5,76,25,624)**	**3,01,47,229**
Other Comprehensive Income			
(i) Items that will not be reclassified subsequently to			
Remeasurement of the net defined benefit		2,29,636	3,84,386
Less: Deferred Tax (Actuarial Gain / Loss)		(59,705)	(1,06,936)
(ii) Items that will be reclassified subsequently to			
Total other comprehensive income, net of taxes		**1,69,931**	**2,77,450**
Total Income for the period		**(5,74,55,693)**	**3,04,24,679**
Earnings per equity share			
Equity share of par value Rs. 10/- each			
Basic(Rs.)		(3.76)	1.99
Diluted(Rs.)		(2.91)	1.54
Weighted Average Number of Equity Shares used in			
Basic		1,52,90,000	1,52,90,000
Diluted		1,97,20,000	1,97,20,000
Significant accounting policies and notes on accounts	1 & 24		

The accompanying notes form part of the financial Statements

As per our Report of even date attached
For LAXMINIWAS & Co
Chartered Accountants
Firm Registration No:011168S

Vijay Singh
Partner
Membership No: 221671

Place: Hyderabad
Date : 31.07.2020

For and on behalf of the Board of Directors of
Vijay Textiles Limited
CIN : L18100TG1990PLC010973

Sd/-
Vijay Kumar Gupta
Chairman & Managing Director
DIN:01050958

Sd/-
Susheel Kumar Gupta
Executive Director & CFO
DIN:00362714

Sd/-
S. Nagarajan
Company Secretary
M.No:2532

CASH FLOW STATEMENT YEAR ENDED 31ST MARCH, 2020

Particulars	Year 2019-2020		Year 2018-2019	
	Rs	Rs	Rs	Rs
A. Cash Flow From Operating Activities				
Net profit before tax		(4,63,54,777)		2,14,36,633
Adjusted for				
Depreciation	7,58,60,053		6,58,63,337	
Finance Costs	17,75,05,123		21,08,42,835	
Interest unwinding	-		8,77,181	
Preference dividend unwinding			72,91,858	
Re-measurement gains/(losses) on employee defined benefit plans	2,29,636		3,84,386	
Loss / (Profit) on sale of fixed assets (net)	(64,322)		-	
Interest Income	(4,26,725)		(4,92,888)	
Finance Income on preference share	-		(72,91,858)	
Provision for Employee benefits			27,42,645	
		25,31,03,765		28,02,17,496
Operating Profit Before Working Capital Changes		**20,67,48,988**		**30,16,54,129**
Working Capital changes adjusted for				
Trade Receivables	(18,17,56,697)		(19,56,90,475)	
Other financial and non financial assets	1,40,95,801		5,68,53,618	
Short Term provision	47,57,173		-	
Inventories	12,27,12,413		(8,81,26,716)	
Trade Payables	(10,05,525)		58,57,217	
Other financial and non finacial liabilities	5,87,78,124		(67,17,510)	
		1,75,81,289		(22,78,23,866)
Cash Generated From Operations		**22,43,30,277**		**7,38,30,263**
Direct Taxes Paid		**-**		**(22,97,528)**
Net Cash Flow From Operating Activities (A)		**22,43,30,277**		**7,15,32,735**
B. Cash Flow From Investing Activities				
Purchase Of Fixed Assets	(44,54,720)		(1,32,34,150)	
Proceeds from sale of fixed assets	80,001		-	
Deposits placed with corporations	(2,000)		(1,14,605)	
Interest income received	4,91,860		4,69,750	
Net Cash Used In Investing Activities (B)		**(38,84,859)**		**(1,28,79,005)**
C. Cash Flow From Financing Activities				
Proceeds from issue of share warrants	-		1,00,00,000	
Working Capital Borrowings	(54,02,938)		63,06,954	
Net proceeds from long term borrowings	(1,70,15,662)		7,93,81,815	
Interest Paid	(16,79,04,853)		(13,57,85,969)	
Payment of Lease Liability	(3,08,11,361)		-	
Payment of Dividend (Including DDT)	-		(1,62,82,691)	
Finance Charges	-		(26,18,723)	
Net Cash Used In Financing Activities (C)		**(22,11,34,814)**		**(5,89,98,614)**
Net Increase/ (Decrease) In Cash And Cash Equivalents (A+B+C)		**(6,89,396)**		**(3,44,884)**
Opening Cash And Cash Equivalents		**22,65,771**		**26,10,655**
Closing Cash And Cash Equivalents		**15,76,375**		**22,65,771**

The accompanying notes form part of the financial Statements

As per our Report of even date attached
For LAXMINIWAS & Co
Chartered Accountants
Firm Registration No:011168S

Vijay Singh
Partner
Membership No: 221671

Place: Hyderabad
Date : 31.07.2020

For and on behalf of the Board of Directors of
Vijay Textiles Limited
CIN : L18100TG1990PLC010973

Sd/-
Vijay Kumar Gupta
Chairman & Managing Director
DIN:01050958

Sd/-
Susheel Kumar Gupta
Executive Director & CFO
DIN:00362714

Sd/-
S. Nagarajan
Company Secretary
M.No:2532

STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 31ST MARCH, 2020

(a) Equity Share Capital

(Rs.)

Particulars	
Balance as at 1 April , 2019	**15,29,02,689**
Changes in equity share capital during the year	-
Balance as at 31 March , 2020	**15,29,02,689**

(b) Other Equity

(Rs.)

Particulars	Securities Premium Reserve	General Reserve	Retained Earnings	Capital reserve	Money received against Share Warrants	Equity Instruments through other comprehensive income	Other comprehensive income	Total Other Equity
Balance as on 1st April, 2019	**37,83,62,510**	**29,94,38,658**	**3,39,68,495**	**1,70,00,000**	**36,44,00,000**	-	**(23,71,685)**	**1,09,07,97,978**
Add : Premium on Shares issued during the year	-	-	-	-	-	-	-	-
Less : Equity Dividend	-	-	-	-	-	-	-	-
Less : Dividend Distribution Tax	-	-	-	-	-	-	-	-
Profit and loss during period	-	-	(5,76,25,624)	-	-	-	-	(5,76,25,624)
Actuarial Gain / Loss	-	-	-	-	-	-	2,29,636	2,29,636
Deferred Tax on adjustments	-	-	-	-	-	-	(59,705)	(59,705)
Balance as on 31st March,2020	**37,83,62,510**	**29,94,38,658**	**(2,36,57,129)**	**1,70,00,000**	**36,44,00,000**	**-**	**(22,01,754)**	**1,03,33,42,285**

The accompanying notes form part of the financial Statements

As per our Report of even date attached
For LAXMINIWAS & Co
Chartered Accountants
Firm Registration No:011168S

Vijay Singh
Partner
Membership No: 221671

Place: Hyderabad
Date : 31.07.2020

For and on behalf of the Board of Directors of
Vijay Textiles Limited
CIN : L18100TG1990PLC010973

Sd/-
Vijay Kumar Gupta
Chairman & Managing Director
DIN:01050958

Sd/-
Susheel Kumar Gupta
Executive Director & CFO
DIN:00362714

Sd/-
S. Nagarajan
Company Secretary
M.No:2532

NOTES TO FINANCIAL STATEMENTS

NOTE 2A & 2B : PROPERTY, PLANT & EQUIPTMENT AND INTANGIBLE ASSETS:										
Particulars	Gross Block				Depreciation				Net Block	
	As at 01.04.2019	Additions/Adjustment	Deletion/ Adjustment	As at 31.03.2020	As at 01.04.2019	For P & L	Deletion/ Adjustmen	As at 31.03.2020	As at 31.03.2020	As at 31.03.2019
Tangible Assets: 2A										
Land	7,62,54,798	-	-	7,62,54,798	-	-	-	-	7,62,54,798	7,62,54,798
Building	22,88,51,167	-	-	22,88,51,167	6,92,75,157	68,42,565	-	7,61,17,722	15,27,33,445	15,95,76,010
Lease Hold Property	9,51,43,860	-	-	9,51,43,860	4,16,91,629	38,97,318	-	4,55,88,947	4,95,54,913	5,34,52,231
ROU- Asset	-	14,50,67,237	-	14,50,67,237	-	2,43,12,152	-	2,43,12,152	12,07,55,085	-
Plant & Machinery	55,15,27,825	21,79,376	-	55,37,07,201	24,12,24,493	1,85,99,259	-	25,98,23,752	29,38,83,449	31,03,03,332
Electrical Installation	8,80,15,614	1,33,695	-	8,81,49,309	7,42,05,713	34,73,924	-	7,76,79,637	1,04,69,672	1,38,09,901
Furniture & Fixtures	29,00,39,311	-	-	29,00,39,311	24,37,63,710	1,10,07,895	-	25,47,71,605	3,52,67,706	4,62,75,601
Office Equipment	38,39,366	7,288	-	38,46,654	35,15,658	39,387	-	35,55,045	2,91,609	3,23,708
Vehicles	6,57,26,850	51,478	3,13,573	6,54,64,755	2,37,76,359	73,51,057	2,97,894	3,08,29,522	3,46,35,233	4,19,50,491
Computers	28,63,291	-	-	28,63,291	21,12,641	2,39,597	-	23,52,238	5,11,053	7,50,650
Sub Total (A)	**1,40,22,62,082**	**14,74,39,074**	**3,13,573**	**1,54,93,87,583**	**69,95,65,360**	**7,57,63,154**	**2,97,894**	**77,50,30,620**	**77,43,56,963**	**70,26,96,722**
Capital Work In Progress	**-**	**20,82,883**	**-**	20,82,883	**-**	**-**	**-**	**-**	20,82,883	**-**
Intangible Assets: 2B										
Computer - Software	15,13,441	-	-	15,13,441	12,82,568	96,899	-	13,79,467	1,33,974	2,30,873
Sub Total (B)	**15,13,441**	**-**	**-**	**15,13,441**	**12,82,568**	**96,899**	**-**	**13,79,467**	**1,33,974**	**2,30,873**
TOTAL(A+B)	**1,40,37,75,523**	**14,95,21,957**	**3,13,573**	**1,55,29,83,907**	**70,08,47,928**	**7,58,60,053**	**2,97,894**	**77,64,10,087**	**77,65,73,820**	**70,29,27,595**
Previous Year	1,39,05,41,373	1,32,34,150	-	1,40,37,75,523	63,49,84,591	6,58,63,337	-	70,08,47,928	70,29,27,595	75,55,56,782

NOTES TO FINANCIAL STATEMENTS

NOTE 3 : OTHER NON-CURRENT ASSETS

Particulars	As at 31.03.2020 Rs	As at 31.03.2019 Rs
Unsecured, considered good		
Deposits:		
With Govt.Bodies	65,41,170	65,41,170
Other than Govt.Bodies	-	-
Rent	1,69,81,000	1,69,81,000
With suppliers	4,73,133	4,71,133
TOTAL	**2,39,95,303**	**2,39,93,303**

NOTE 4 : INVENTORIES

Particulars	As at 31.03.2020 Rs	As at 31.03.2019 Rs
(At lower of cost or net realisable value)		
Raw-Material	8,89,68,878	10,70,07,026
Work- in- Progress	30,70,648	83,54,800
Finished Goods	1,15,39,12,606	1,24,74,82,410
Stores & Consumables	2,93,60,735	3,52,17,637
Material in Transit	36,593	-
TOTAL	**1,27,53,49,460**	**1,39,80,61,873**

NOTES TO FINANCIAL STATEMENTS

FINANCIAL ASSETS:
NOTE 5A : TRADE RECEIVABLES

Particulars	As at 31.03.2020 Rs	As at 31.03.2019 Rs
Unsecured, Condidered Good		
Outstanding for a period exceeding six months	1,48,52,25,809	98,68,42,892
Others	11,50,58,469	43,16,84,689
TOTAL	**1,60,02,84,278**	**1,41,85,27,581**
Significant increase in Credit Risk	-	-
TOTAL	**1,60,02,84,278**	**1,41,85,27,581**
Credit Impaired	-	-
GRAND TOTAL	**1,60,02,84,278**	**1,41,85,27,581**

NOTE 5B : CASH AND CASH EQUIVALENTS

Particulars	As at 31.03.2020 Rs	As at 31.03.2019 Rs
Cash on Hand	1,55,563	4,14,946
Bank Balance with Scheduled Banks		
- In Current Accounts	11,403	4,92,231
- In Unclaimed Dividend Accounts (Refer Note a)	1,49,212	1,76,242
- In Term Deposit Account (Refer Note b)	12,60,197	11,82,352
TOTAL	**15,76,375**	**22,65,771**

Notes:

a) During the year no amount (Previous Year an amount of Rs.1,94,229/- pertaining to the year 2010-11) was transferred to Investor Education and Protection Fund (IEPF).

b) Term deposits are held as margin money against Bank Guarantees.

NOTES TO FINANCIAL STATEMENTS

NOTE 5C : OTHER FINANCIAL ASSETS

Particulars	As at 31.03.2020 Rs	As at 31.03.2019 Rs
Interest Receivable	3,40,106	4,05,241
Receivable against cancellation of Tech-Park Project	14,79,91,933	14,79,91,933
Other Current Assets	15,60,012	39,849
TOTAL	**14,98,92,051**	**14,84,37,023**

NOTE 6 : OTHER CURRENT ASSETS

Particulars	As at 31.03.2020 Rs	As at 31.03.2019 Rs
Advances for Supplies and Services	18,54,971	6,10,881
Pre Paid Expenses	66,00,491	80,86,700
Income Tax Receivable	28,41,263	1,83,41,601
Loans and Advances to Employees	2,56,449	2,40,020
Other Current Assets	5,73,579	4,63,515
TOTAL	**1,21,26,753**	**2,77,42,717**

NOTES TO FINANCIAL STATEMENTS

NOTE 7 : EQUITY SHARE CAPITAL

Particulars	As on 31-03-2020 Rs	As on 31-03-2019 Rs
Authorised Capital:		
2,03,00,000 (Previous Year : 2,03,00,000) Equity Shares of Rs.10/- each	20,30,00,000	20,30,00,000
TOTAL	**20,30,00,000**	**20,30,00,000**
Issued, Subscribed and Paid-Up Capital		
1,52,90,000 (Previous Year : 1,52,90,000) Equity Shares of Rs10/- each	15,29,00,000	15,29,00,000
Share Forfeiture	2,689	2,689
TOTAL	**15,29,02,689**	**15,29,02,689**

Notes:

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

Particulars	As on 31-03-2020		As on 31-03-2019	
	No. of Shares	Amount	No. of Shares	Amount
Equity Shares				
At the beginning of the period	1,52,90,000	15,29,00,000	1,52,90,000	15,29,00,000
At the closing of the period	**1,52,90,000**	**15,29,00,000**	**1,52,90,000**	**15,29,00,000**

NOTES TO FINANCIAL STATEMENTS

(b)(i) Rights, preference and restrictions attached to Equity Shares

The Company has only one class of equity shares having a par value of Rs. 10/- each per share (Previous Year : Rs. 10/- each). Each holder of equity shares is entitled to one vote per share. The dividend proposed by the Board of Directors is subject to the approval of the Shareholders in the ensuing Annual General Meeting. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to number of equity shares held by the shareholders.

(c)(i) Details of Shareholders holding more than 5% equity shares in the Company

Name of the Shareholder	As on 31-03-2020		As on 31-03-2019	
	No. of Shares	%	No. of Shares	%
Equity Share of Rs. 10/- each held by				
1. Vijay Kumar Gupta	59,48,016	38.90%	59,48,016	38.90%
2. Susheel Kumar Gupta	32,19,699	21.06%	32,19,699	21.06%

NOTE 8A : BORROWINGS

Particulars	As at 31.03.2020 Rs	As at 31.03.2019 Rs
A. Secured		
Term Loan From Banks (Refer Note I)	7,35,70,868	24,42,51,205
Vehicle Loans (Refer Note II)	68,25,943	1,45,29,835
Sub-Total	**8,03,96,811**	**25,87,81,040**
B. Unsecured		
Loans and Advances from other related parties (Refer Note III)	1,06,60,35,692	92,51,19,510
Sub-Total	**1,06,60,35,692**	**92,51,19,510**
TOTAL	**1,14,64,32,503**	**1,18,39,00,550**

Notes:

(I) Term Loans from banks namely State Bank of India and Axis Bank Limited, are secured by:

(a) First pari passu charge on all the immovable and movable Fixed Assets present and future of the Company.

NOTES TO FINANCIAL STATEMENTS

(b). Second pari passu charge on all the current assets of the Company (excluding credit card receivables).

(c). Further the terms loans are collaterally secured by;

(i) Commercial space admeasuring 5108.75 sft, bearing shop Nos: 8,9,11 and 13, situated in Ground Floor, Surya Towers, 104, S.P.Road, Secunderabad-500 003,standing in the names of Shri Vijay Kumar Gupta,Shri Vijay Kumar Gupta(HUF), Shri Susheel Kumar Gupta and Smt.Shashikala Gupta.

(ii) Pledge of entire shares held by Promoters i.e. Shri Vijay Kumar Gupta, Shri Susheel Kumar Gupta, Smt Shashikala Gupta.

(iii) Personal Guarantees of Mr. Vijay Kumar Gupta,Vijay Kumar Gupta (HUF), Mr. Susheel Kumar Gupta and Mrs. Shashikala Gupta. Guarantee limited to the value of the security mortgaged.

(iv) Term Loan -II and FITL-II of State Bank of India is secured by exclusive charge on credit card receivables and collateral security as pari passu first charge on the fixed assets of the Company present and future.

Terms of Repayment:

1 State Bank of India - Term Loan -I,II ,III and IV repayable in 36 monthly instalments . Amount repayable during the calendar year, 2020 Rs 78.60 Lakhs and during the period 2021 Rs72.61 Lakhs per annum, commencing from 31st July,2015 , presently interest @11.55% p.a. under 1 year MCLR based lending rate with annual reset.

2 State Bank of India - Funded Interest Term Loan - repayable in 36 monthly instalments . Amount repayable during the calendar year 2020 Rs.13.99 Lakhs and during period 2021 Rs12.92 Lakhs per annum, commencing from 31st July, 2015, presently bearing interest @11.55% p.a. under 1 year MCLR based lending rate with annual reset.

3 State Bank of India - Working Capital Term Loan - repayable in 24 monthly instalments. Amount repayable during the calendar year 2020 Rs 208 Lakhs commencing from 31st July, 2015, presently bearing interest @11.55% p.a. under 1 year MCLR based lending rate with annual reset.

4 State Bank of India - Priority Debt Term Loan - repayable in 18 monthly instalments. Amount repayable during the calendar year 2020 Rs 40.13 Lakhs commencing from 31st July,2015,presently bearing interest @11.55% p.a. under 1 year MCLR based lending rate with annual reset.

5 State Bank of India - Term Loan -I,II ,III and IV repayable in 36 monthly instalments . Amount repayable during the calendar year 2020 Rs 831.87 Lakhs and during the period 2021 Rs767.88 Lakhs per annum, commencing from 31st July, 2015, presently bearing interest @11.55% p.a. under 1 year MCLR based lending rate.

6 State Bank of India - Funded Interest Term Loan repayable in 36 equal monthly instalments. Amount repayable during the calendar year 2020 Rs 147.94 Lakhs and during the period 2021 Rs 136.56 Lakhs per annum commencing from 31st July,2015, presently bearing interest @11.55% p.a. under 1 year MCLR based lending rate.

NOTES TO FINANCIAL STATEMENTS

7 State Bank of India -Working Capital Term Loan repayable in 24 monthly instalments Amount repayable during the calendar year, 2020 Rs 59.15 Lakhs commencing from 31st July,2015, presently bearing interest @11.55% p.a. under 1 year MCLR based lending rate.

8 State Bank of India - Priority Debt Loan repayable in 18 monthly instalments .Amount repayable during the calendar year 2020 Rs. 53.69 Lakhs commencing from 31st July,2015,presently bearing interest @11.55% p.a. under 1 year MCLR based lending rate.

9 Axis Bank Limited - Term Loan is repayable in 36 monthly instalments. Amount repayable during the financial year 2019-2020 Rs 14.40 Lakhs and during the period 2020 -2021 Rs 57.60 Lakhs per annum and during the period 2021 to 2022 Rs 32.40 Lakhs per annum commencing from 31st July, 2015, presently bearing interest @ 11.75% p.a. under 3 months MCLR based lending rate.

10 Axis Bank Limited - Funded Interest Term Loan repayable in 36 monthly instalments. Amount repayable during the financial year 2019-2020 Rs 2.60 Lakhs and during the period 2020 to 2021 Rs 10.40 Lakhs per annum and during the year 2021 to 2022 Rs.5.85 Lakhs annum commencing from 31st July,2015, presently bearing interest @ 11.75% p.a. under 3 months MCLR based lending rate.

11 Axis Bank Limited - Working Capital Term Loan repayable in 24 monthly instalments. Amount repayable during the financial year 2019-2020 Rs 36 Lakhs and during the period 2020 to 2021 Rs 117 Lakhs per annum commencing from 31st July,2015,presently bearing interest @ 11.75% p.a. under 3 months MCLR based lending rate.

12 Axis Bank Limited - Priority Debt Loan repayable in 18 monthly instalments. Amount repayable during the financial year 2019-2020 Rs 13 Lakhs and during the financial year 2020-2021 Rs 22.75 Lakhs per annum commencing from 31st July,2015, presently bearing interest @ 11.75% p.a. under 3 months MCLR based lending rate.

(II) a. Vehicle Loans is secured by way of hypothecation of specific vehicle financed:

b. Terms of Repayment:

1 Loan availed from Toyota Financial Services India Ltd., under Loan Account No.NHYD1090946 is repayable in monthly instalments of Rs3.23 Lakhs each inclusive of interest ending on 10th December,2020.

2 Loan availed from Toyota Financial Services India Ltd., under Loan Account No.NHYD 1136418 is repayable in monthly instalments of Rs 0.47 Lakhs each inclusive of interest ending on 10th June,2021.

3 Loan availed from Tata Capital Financial Services Limited , under Loan Account No7000419830 is repayable in monthly instalments of Rs 1.05 Lakhs each inclusive of interest ending on 3rd May,2020.

4 Loan availed from Tata Capital Financial Services Limited , under Loan Account No7000419833 is repayable in monthly instalments of Rs 0.99 Lakhs each inclusive of interest ending on 3rd May,2020.

NOTES TO FINANCIAL STATEMENTS

5 Loan availed from Axis Bank Limited , under Loan Account No.AUR00802926194 is repayable in monthly instalments of Rs 0.98 Lakhs each inclusive of interest ending on 10th February,2021.

6 Loan availed from Axis Bank Limited , under Loan Account No.AUR00803039744 is repayable in monthly instalments of Rs 3.04 Lakhs each inclusive of interest ending on 10th March,2023.

III) Unsecured Loans From Related Parties:

1 Unsecured Loans are from Shri. Vijay Kumar Gupta, Chairman and Managing Director and Shri. Susheel Kumar Gupta, Executive Director of the Company repayable over a period of 5 years ending on 15th April, 2022.

NOTE 9 : DEFERRED TAX LIABILITIES (NET)

Particulars	As at 31.03.2020 Rs	As at 31.03.2019 Rs
At the beginning of the year	7,65,30,390	9,00,90,377
Provision for the year	1,13,30,552	(1,35,59,987)
Closing Balance	**8,78,60,942**	**7,65,30,390**

NOTE 10 : OTHER NON CURRENT LIABILITY

Particulars	As at 31.03.2020 Rs	As at 31.03.2019 Rs
Provision for lease liabiity	9,85,76,113	-
		-
Closing Balance	**9,85,76,113**	-

NOTE 11A : BORROWINGS

Particulars	As at 31.03.2020 Rs	As at 31.03.2019 Rs
Working Capital Borrowings from Banks (secured)	67,68,23,097	68,22,26,036
TOTAL	**67,68,23,097**	**68,22,26,036**

NOTES TO FINANCIAL STATEMENTS

Notes :

Working Capital facilities availed by the Company from State Bank of India and Axis Bank Limited are carrying interest rate ranging from 11.05% to 10.80% and are secured by:

(a) Pari-Passu first charge on all chargeable current assets of the Company in favour of State Bank of India and Axis Bank Limited (excluding credit card receivables, which are charged to State Bank of India alone and are separately dealt with herein).

(b) Pari-Passu second charge on entire Fixed Assets of the Company, both present and future.

Further the Working Capital facilities are collaterally secured by :

(c) Commercial space admeasuring 5108.75 sft, bearing shop Nos: 8,9,11 and 13, situated in Ground Floor, Surya Towers, 104, S.P.Road, Secunderabad-500 003,standing in the names of Shri Vijay Kumar Gupta,Shri Vijay Kumar Gupta (HUF), Shri Susheel Kumar Gupta and Smt.Shashikala Gupta.

(d) Pledge of entire shares held by Promoters i.e. Shri Vijay Kumar Gupta, Shri Susheel Kumar Gupta, Smt Shashikala Gupta.

(e) Personal Guarantees of Mr. Vijay Kumar Gupta,Vijay Kumar Gupta HUF, Mr. Susheel Kumar Gupta and Mrs. Shashikala Gupta. Guarantee limited to the value of the security mortgaged.

NOTE 11B : TRADE PAYABLES

Particulars	As at 31.03.2020 Rs	As at 31.03.2019 Rs
(a) Dues to micro and small enterprises	-	-
(b) Dues to others	17,97,23,788	18,07,29,313
TOTAL	**17,97,23,788**	**18,07,29,313**

Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

As at 31 March 2018, based on and to the extent of information received from the suppliers regarding their registration as Micro, Small and Medium Enterprises under the Micro, Small and Medium Enterprises Development Act, 2006 there are no amounts outstanding in respect of these vendors and, hence, no disclosure of the information required under the said Act relating to them has been made.

NOTES TO FINANCIAL STATEMENTS

NOTE 11C : OTHER FINANCIAL LIABILITIES

Particulars	As at 31.03.2020 Rs	As at 31.03.2019 Rs
Term Loan instalments due less than 12 months	18,79,36,130	16,48,80,097
Vehicle Loan instalments due less than 12 months	77,04,046	1,03,07,694
Interest Accrued and Due on Borrowings	65,34,112	1,31,90,799
Leased assets rent payment due less than 12 months	3,19,36,720	-
Interest Payable and accrued	15,66,74,625	10,88,14,846
Unclaimed Dividend	1,49,212	1,76,242
Other Liabilities	2,60,71,830	2,01,89,786
TOTAL	**41,70,06,676**	**31,75,59,464**

Note: Please refer to notes under Note:8 for details of repayment of loans and securities charged to the lenders.

NOTE 12 : OTHER CURRENT LIABILITIES

Particulars	As at 31.03.2020 Rs	As at 31.03.2019 Rs
Other Liabilities	2,34,78,831	1,84,15,500
TOTAL	**2,34,78,831**	**1,84,15,500**

NOTE 13 : PROVISIONS

Particulars	As at 31.03.2020 Rs	As at 31.03.2019 Rs
Provision for Bonus	25,51,178	18,56,649
Provision for Leave Encashment	34,94,467	21,55,729
Provision for Incentives	6,82,112	7,80,888
Provision for CSR Expenses	18,74,966	8,99,567
Provision for Gratuity	1,07,54,080	89,06,797
TOTAL	**1,93,56,803**	**1,45,99,630**

NOTES TO FINANCIAL STATEMENTS

NOTE 14 : INCOME TAX LIABILITIES (NET)

Particulars	For the period 31.03.2020 Rs	For the period 31.03.2019 Rs
Current tax liabilities (net)	42,94,313	42,94,313
TOTAL	**42,94,313**	**42,94,313**

NOTE 15 : REVENUE FROM OPERATIONS

Particulars	For the period 31.03.2020 Rs	For the period 31.03.2019 Rs
REVENUE FROM OPERATIONS :		
Cloth Sales - State	44,98,77,209	66,05,72,393
Cloth Sales - Int. State	17,80,78,366	25,79,61,181
Other Operating Revenue		
Job Work Charges Received	3,01,57,209	2,99,90,472
TOTAL	**65,81,12,784**	**94,85,24,046**

NOTE 16 : OTHER INCOME

Particulars	For the period 31.03.2020 Rs	For the period 31.03.2019 Rs
Interest Received	4,26,725	4,92,888
Miscellaneous Income	3,18,262	21,53,447
Interest on Income Tax	41,41,053	5,46,604
Finance income on preference share	-	72,91,858
TOTAL	**48,86,040**	**1,04,84,797**

NOTES TO FINANCIAL STATEMENTS

NOTE 17 : COST OF RAW MATERIALS CONSUMED

Particulars	For the period 31.03.2020 Rs	For the period 31.03.2019 Rs
Opening Stock	10,70,07,026	7,25,88,872
Add: Purchases	13,35,57,027	32,00,21,471
	24,05,64,053	**39,26,10,343**
Less: Closing Stock	8,89,68,878	10,70,07,026
Consumption	**15,15,95,175**	**28,56,03,317**

NOTE 18 : PACKING MATERIAL CONSUMED

Particulars	For the period 31.03.2020 Rs	For the period 31.03.2019 Rs
Opening Stock	9,90,360	10,97,555
Add: Purchases	24,31,747	23,99,324
	34,22,107	**34,96,879**
Less: Closing Stock	9,68,034	9,90,360
Consumption	**24,54,073**	**25,06,519**

NOTES TO FINANCIAL STATEMENTS

NOTE 19 : CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK-IN-PROGRESS

Particulars	For the period 31.03.2020 Rs	For the period 31.03.2019 Rs
A. OPENING STOCK		
Finished Goods	1,24,74,82,410	1,18,58,13,469
Stock in Process	83,54,800	1,66,74,632
TOTAL (A)	**1,25,58,37,210**	**1,20,24,88,101**
B. CLOSING STOCK		
Finished Goods	30,70,648	83,54,800
Stock in Process	1,15,39,12,606	1,24,74,82,410
TOTAL (B)	**1,15,69,83,254**	**1,25,58,37,210**
Net Increase/(Decrease) in Stocks (A-B)	**9,88,53,956**	**(5,33,49,109)**

NOTE 20 : MANUFACTURING EXPENSES

Particulars	For the period 31.03.2020 Rs	For the period 31.03.2019 Rs
Carriage & Freight	9,52,480	16,01,888
Consumption of Firewood	2,05,25,979	2,15,53,221
Consumption of Rice Husk	86,69,614	-
Power & Fuel	1,75,69,033	1,74,24,973
Consumption of Design & Development	52,43,385	29,46,739
Consumption of Stores & Consumables	85,29,029	58,54,652
Other Manufacturing Expenses	48,30,359	52,67,523
Effluent Treatment Plant Expenses	44,24,109	51,67,186
TOTAL	**7,07,43,987**	**5,98,16,183**

NOTES TO FINANCIAL STATEMENTS

NOTE 21 : EMPLOYEE BENEFIT EXPENSES

Particulars	For the period 31.03.2020 Rs	For the period 31.03.2019 Rs
Managerial Remuneration	84,00,000	88,80,000
Office Staff Salaries	1,61,43,658	1,71,66,250
Factory Wages & Salaries	3,11,76,460	2,93,96,429
Employees Benefit	55,52,693	63,03,354
Incentives	22,39,936	25,30,237
Gratuity expenses	20,76,919	18,99,306
Contribution to P.F and E.S.I	45,28,683	48,87,690
TOTAL	**7,01,18,349**	**7,10,63,267**

NOTE 22 : FINANCE COSTS

Particulars	For the period 31.03.2020 Rs	For the period 31.03.2019 Rs
Interest Charges	15,62,89,553	20,91,01,293
Finance charge on preference share	-	72,91,858
Interest on Leased Assets	1,62,56,957	-
Other borrowing Charges	46,44,650	19,55,142
Bank and Finance Charges	3,13,963	6,63,582
TOTAL	**17,75,05,123**	**21,90,11,874**

NOTES TO FINANCIAL STATEMENTS

NOTE 23 : OTHER EXPENSES

Particulars	For the period 31.03.2020 Rs	For the period 31.03.2019 Rs
Rent	-	27,03,708
Lease Rental Charges	-	2,75,24,384
Rates, Taxes, Licences & Fees	40,35,743	53,62,702
Printing & Stationery	6,98,462	7,62,018
Postage & Telephones	10,35,216	17,42,528
Office Electricity & Water	1,16,87,651	1,31,38,107
Travelling & Conveyance	18,89,120	24,43,674
Advertisement & Publicity	12,84,377	16,35,228
Agents commission	18,92,367	37,68,057
Selling Expenses	62,61,747	1,84,75,561
Insurance	30,44,628	27,12,906
Remuneration to Auditors :		
Audit Fees	4,50,000	4,50,000
Tax Audit Fees	-	-
Directors' Sitting Fees	2,85,000	2,50,000
Security Service Charges	2,63,306	-
Legal & Professional Charges	15,81,614	21,75,784
Repairs to Plant & Machinery	31,75,609	16,46,253
Repairs to Buildings	5,40,694	5,84,846
Repairs to Other Assets	33,19,796	38,73,261
Vehicle Maintenance	15,29,162	14,05,858
Miscellaneous Expenses	15,29,298	13,81,133
CSR Expenses	9,75,399	8,99,567
TOTAL	**4,54,79,189**	**9,29,35,576**

Notes :

In accordance with the provisions of section 135 of the Companies Act, 2013 the Board of Directors of the Company has constituted a Corporate Social Responsibility (CSR) Committee. In terms, with the provisions of the said Act, the Company was to spend a sum of Rs. 9.75 Lakhs towards CSR activities during the year ended 31 March 2020. The CSR Committee has been examining and evaluating suitable proposals for deployment of the funds towards CSR initiatives, however, the committee expects finalization of such proposals in due course.

Particulars	Opening balance as on 01.04.2019	To be spent for the Current year (2019-20)	Amount Spent during the year	Balance as at 31.03.2020 (carry forward)
Corporate social responsibility	8,99,567.00	9,75,399	-	18,74,966

NOTE 24: NOTES TO ACCOUNTS

24.1 Contingent Liability not provided for in respect of claims against the Company not acknowledge as debts:

(i). Counter Guarantee given to Bankers towards the Bank Guarantee Rs 49,31,000/- (Previous year Rs.63,10,000/-).

(ii). Export Obligation

(ii). Export Obligation

Particulars	Amount	Period (in yrs)	Ending On	Remarks
Export Obligation for concessional duty availed for import of machinery	9, 39, 30,216	8	07th April 2018 (After 2nd Extension)	The Company has received approval from Director General Foreign Trade, New Delhi vide its order dated 01st March,2017 for extension in validity period for fulfilling the export obligation under the EPCG License granted to the Company for a further period of 2 years until 7th April,2018. The Companyhas submitted its application for further extension of validity period for further period of 2 years.
	11,36,33,520	8	28th November 2019 (2 year extended)	Director General, Foreign Trade has accorded approval to Company's request for extension in validity of license for a further period of Two Years until 28 November 2021 for fulfilling export obligation under the said EPCG Authorization. The Company has paid the requisite fees as stipulated in the approval letter, and is now awaiting formal letter for grant of extension from DGFT office.

(iii). Income Tax Matters

Assessment year	Amount Outstanding as on 31.03.20	Amount Outstanding as on 31.03.19	Appeal Pending with
2009-10	88,36,190	88,36,190	Appeal filed before ITAT by the Company was allowed. Subsequently AO has raised a fresh demand for payment of tax against the Company. Aggrieved by this order the Company has filed an appeal before CIT Appeals – IV on 29.04.2016 and the same was allowed in its favor. Consequently, department has preferred an appeal before ITAT, which is posted for final hearing on 06 October, 2020.

(b) Labour Court Award

Labour Court III, Hyderabad had passed an award vide G.O.Rt.No.223 dated 23 March 2017 in I.D.No.17 of 2010, in favor of Balaji Vishnu Patil ex-employee working under job worker at the Company's Rajapoor Unit and directed the Company to pay an amount of Rs.2,50,000/- towards retrenchment compensation in lieu of the reinstatement to Balaji Vishnu Patil. The Company has preferred an appeal before AP & Telangana High Court, Hyderabad bearing reference no.WPMP No.31873 of 2017 in WP No.25695 of 2017 against the said award. High Court has granted interim stay vide its order dated 02 August 2017 on the condition the Company depositing one third of the awarded amount and the Company has complied with the condition.

(c) Commitments

Estimated amount of liability on account of Capital Commitments of RsNil. (Previous year Rs - Nil).

24.2. (a) Raw Materials Consumed

Type of Raw Material	Year 2019-2020	Year 2018-2019
(a) Grey Cloth	10,22,49,168	12,93,82,488
(b) Textile Fabrics	-	12,09,27,787
(c) Others	4,93,46,006	3,52,93,042
TOTAL	**15,15,95,175**	**28,56,03,317**

(b) Trading Goods Purchased

Type of Trading goods	Year 2019-2020	Year 2018-2019
Textile Fabrics	93,51,926	17,65,80,154
Others	61,90,601	1,73,56,101
TOTAL	**1,55,42,527**	**19,39,36,255**

(c) Turnover

Particulars	Year 2019-2020	Year 2018-2019
(i) Manufactured Goods		
Textile Fabrics	25,11,13,101	39,43,91,414
Others	4,06,46,325	5,40,52,557
(ii) Traded Goods		
Textile Fabrics	31,51,29,686	44,11,65,005
Others	2,18,51,538	2,99,15,102
SUB-TOTAL	**62,87,40,750**	**91,95,24,078**
Less: Discount	**7,85,175**	**9,90,504**
TOTAL	**62,79,55,575**	**91,85,33,574**

(d) Stock

Opening Inventory	Year 2019-2020	Year 2018-2019
(i) Manufactured Goods		
Textile Fabrics	70,27,99,414	65,47,54,611
Others	6,04,86,112	6,16,66,400
(ii) Trading Goods		
Textile Fabrics	44,33,68,826	43,03,79,602
Others	4,12,56,525	3,96,26,314
TOTAL	**124,79,10,877**	**118,64,26,927**
Closing Inventory	**Year 2019-2020**	**Year 2018-2019**
(i) Manufactured Goods		
Textile Fabrics	76,51,04,880	70,27,99,414
Others	6,22,07,748	6,04,86,112
(ii) Trading Goods		
Textile Fabrics	28,54,51,877	44,33,68,826
Others	4,11,48,101	4,12,56,525
TOTAL	**115,39,12,606**	**124,79,10,877**

a. Expenditure in Foreign Currency

Particulars	Year 2019-2020	Year 2018-2019
Travelling Expenses	Nil	Nil

24.3. Earnings of Foreign Currency

Particulars	Year 2019-2020	Year 2018-2019
FOB value of Exports	15,54,455	26,15,784

24.4.Employee Benefits:

As per Ind AS19 "Employee Benefits", the disclosures of Employee Benefits in the Accounting Standard are given below:

Defined Contribution Plan:

The Company makes Provident Fund and Employee State Insurance Scheme contributions which are defined contribution plans, for qualifying employees. Under the Schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits.

The Company has recognised Rs. 33.45 lakhs (Year ended 31 March, 2019 Rs. 33.21 lakhs) towards Provident Fund contributions and Rs. 11.84 lakhs (Year ended 31 March, 2019 Rs. 15.67 lakhs) for the Employee State Insurance Scheme contribution in the statement to Profit and Loss. The contributions payable to these plans by the Company are at rates specified in the rules of the schemes.

Defined Benefit Plan:

The employees' gratuity fund scheme managed by a Trust is a defined benefit plan. The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognized each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit to build up the final obligation.

Reconciliation of opening and closing balances of Defined benefit obligation as below:

Particulars	Year 2019-2020	Year 2018-2019
I. Assumptions		
Discount Rate (per annum)	6.71%	7.65%
Expected Rate of Return on Plan Assets	6.71%	7.65%
Salary Growth Rate (per annum)	8.00%	8.00%
II. Table Showing Change in Benefit Obligation		
Liability at the beginning of the year	1,41,90,697	1,52,00,407
Interest Cost	10,14,516	11,08,157
Current Service Cost	13,95,436	12,85,152
Benefit Paid	(18,47,692)	(26,96,894)
Actuarial (gain)/loss on obligations	(4,15,064)	(7,06,125)
Liability at the end of the year	1,43,37,893	1,41,90,697
III. Tables of Fair value of Plan Assets		
Fair Value of Plan Assets at the beginning of the Period	52,78,933	78,08,530
Expected Return on Plan Assets	3,33,033	(4,94,003)
Contributions	-	-
Benefit Paid	(18,47,692)	(26,96,894)
Actuarial gain/(loss) on Plan Assets	(1,85,428)	(3,21,739)
Fair Value of Plan Assets at the end of the year	35,72,173	52,78,933
Total Actuarial Gain/(Loss) to be Recognized	2,29,636	3,84,386
IV. Actual Return on Plan Assets:		
Expected Return on Plan Assets	3,33,033	4,94,003
Actuarial gain/(loss) on Plan Assets	(1,85,428)	(3,21,739)
Actual Return on Plan Assets	1,47,605	1,72,263

Particulars	Year 2019-2020	Year 2018-2019
V. Amount Recognized in the Balance Sheet		
Liability at the end of the year	1,43,26,253	1,41,85,730
Fair Value of Plan Assets at the end of the year	35,72,173	52,78,933
Difference	1,07,54,080	89,06,797
Net Assets/(Liabilities) Recognized in the Balance Sheet	1,07,54,080	89,06,797
VI. Expenses Recognized in the Statement of		
Profit and Loss Loss		
Current Service Cost	13,95,436	12,85,152
Interest Cost	10,14,516	11,08,157
Expected Return on Plan Assets	(3,33,033)	(494,003)
Net Actuarial (Gain)/Loss to be Recognized	(2,29,636)	(3,84,386)
Expense Recognized in P& L	18,47,283	15,14,920
VII. Balance Sheet Reconciliation		
Opening Net Liability	1,41,90,697	1,52,00,407
Expense as above	18,47,283	15,14,920
Employer's Contribution	(17,00,087)	(25,24,630)
Amount Recognized in Balance Sheet	1,43,37,893	1,41,90,697

24.5. Borrowing cost capitalized during the year on various assets is Rs. Nil. (Previous year Nil).

24.6. The Company's operations mainly consist of only one segment–Textile Fabrics and therefore the figures as above relate to that segment.

24.7. Fair Value Hierarchy

Financial assets and financial liabilities measured at fair value in the statement of financial position are grouped into three levels of a fair value hierarchy. The three levels are defined based on the observability of significant inputs to the measurement, as follows:

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

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity specific estimates.

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

Fair value hierarchy				
Particulars	**Total**	**Quoted prices in active markets**	**Significant observable inputs**	**Significant unobservable inputs**
		Level 1	**Level 2**	**Level 3**
31-Mar-20				
Financial Asset	-	-	-	-
Financial Liability	-	-		
Borrowings	27,60,36,987	27,60,36,987	-	-
Total	**27,60,36,987**	**27,60,36,987**	**-**	**-**
31-Mar-19	-	-		
Financial Asset	-	-	-	-
Financial Liability				
Borrowings	43,39,68,831	43,39,68,831	-	
Total	**43,39,68,831**	**43,39,68,831**	**-**	

24.8. Related Parties Disclosures:

Information of Related Party Transactions as required by Ind AS 24 on "Related Party Disclosures" for the year ended 31st March, 2020:

A. List of Related Parties

(I) Directors and their Relatives

Shri Vijay Kumar Gupta

Shri Susheel Kumar Gupta

Smt. Shashikala Gupta

(II) Key Managerial Person

Shri S. Nagarajan, Company Secretary

(III) Director's Interest

Vijay Racing Farms Private Limited

Vijay Infotech Ventures

B. Transactions/balances outstanding with Related parties:

1) For the Year 2019-2020:

Sl. No	Transactions / Outstanding balances	Directors / Relatives	Director's interest in firm / Company	Key Managerial Personnel / Relatives	Total
1	Remuneration	84,00,000	-	19,20,000	**1,03,20,000**
2	Rent / Lease	31,09,440	-	-	**31,09,440**
3	Interest on Unsecured Loan	3,85,52,752	-	-	**3,85,52,752**
4	Unsecured Loan – Taken	36,00,89,488	-	-	**36,00,89,488**
5	Unsecured Loan – Repaid	21,91,73,306	-	-	**21,91,73,306**
6	Amount payable at the year end	14,74,00,236	-	-	**14,74,00,236**
7	Unsecured Loans Outstanding as at 31.03.2020	106,60,35,692	-	-	**106,60,35,692**

2) For the Year 2018-2019:

Sl. No	Transactions / Outstanding balances	Directors / Relatives	Director's interest in firm / Company	Key Managerial Personnel / Relatives	Total
1	Remuneration	84,00,000	-	19,20,000	**1,03,20,000**
2	Rent / Lease	27,03,708	-	-	**27,03,708**
3	Interest on Unsecured Loan	7,13,74,593	-	-	**7,13,74,593**
4	Unsecured Loan – Taken	35,21,40,586	-	-	**35,21,40,586**
5	Unsecured Loan – Repaid	16,67,21,076	-	-	**16,67,21,076**
6	Amount payable at the year end	11,10,20,375	-	-	**11,10,20,375**
7	Unsecured Loans Outstanding as at 31.03.2019	92,51,19,510	-	-	**92,51,19,510**

24.9. Assets taken on Operating Lease

(a) The Company's Lease Agreement is in respect of Building at Ameerpet, Kukatpally, Dilsukhnagar, and A.S. Rao Nagar show rooms. The Leasing arrangement is for a longer period and renewable by mutual consent on mutually agreeable terms.

(b) Lease rentals payable are charged as "Lease Rental charges" under "Other Expenses "in Note-23.

(c) Future minimum lease rentals payable as per the lease agreements:

Sl No.	Particulars	As at 31.03. 2020*	As at 31.03. 2019
(i)	Not Later than one year	2,92,77,414	2,82,19,669
(ii)	Later than one year but not later than 5 years	10,14,52,950	12,32,27,395
(iii)	Later than five years	2,48,20,751	3,23,23,720

* The above figures are given without discounting at present value.

24.10. Deferred Tax:

The breakup of Deferred Tax Liability as on 31st March, 2020 is as follows:

Particulars	As at 31.03. 2020	As at 31.03. 2019
Deferred tax Liability arising on account of		
Difference between accounting base and tax base of property, plant and equipment and `Intangible Asset	**(12,23,39,422)**	**(7,88,03,811)**
Unamortised provision Cost	45,742	(2,04,450)
Provision for Lease Liability	2,56,29,789	0
Provision for Gratuity	27,96,061	24,77,871
Unused Tax Losses	60,66,593	0
Other comprehensive income	**(59,705)**	**0**
Net Deferred Tax Asset/(Liability)	**(8,78,60,942)**	**(7,65,30,390)**

24.11. The Company has not provided for cess u/s 441A of The Companies Act, 1956, as the Central Government has not specified the rules and manner of depositing the same.

24.12. Earnings Per Share

Particulars	Year 2019 –20	Year 2018-19
Earnings	.	
Net profit / (Loss) for the period	**(5,74,55,693)**	3,04,24,680
Shares		
Weighted average number of equity shares outstanding during the period	**1,52,90,000**	1,52,90,000
Earnings per share of par value Rs.10/- Basic (Rs)	**(3.76)**	1.99
Weighted average number of equity shares outstanding during the period for Diluted EPS	**1,97,20,000**	1,97,20,000
Earnings per share of par value Rs.10/- Diluted (Rs)	**(2.91)**	1.54

24.13. In accordance with the Ind AS 39 on "Impairment of Assets" the management during the year carried out exercise of identifying the assets that might have been impaired in respect of each cash-generating unit. On the basis of this review carried out by the management there was no impairment loss on the fixed assets during the year ended 31st March 2020.

24.14. Letters have been written for confirmation of debit and credit balances pertaining to debtors and creditors and reply from the parties is awaited.

24.15. By mid of March 2020, the novel coronavirus (Covid-19) has spread across the world and since then the pandemic has severely affected public health and disrupted economic activities. In response to this pandemic, Governments across the world had to impose various restrictions including lockdowns and mandatory work from home requirements. This has affected the operations of the Company and has had an impact on sales and profitability. The Company is continuously monitoring the situation and taking necessary actions in response to the developments to minimize the impact and also to safeguard the assets and employees. The Company has considered relevant internal and external sources of information to evaluate the impact on the financial statements for the year ended 31st March 2020. The Company has assessed the recoverability of the assets

including receivables, investments, property plant and equipment, intangible assets, Assets held for sale and it is estimated that there is no effect on these assets. However, the actual impact may be different from that estimated as it will depend upon future developments and future actions to contain or treat the disease and mitigate its impact on the economy.

24.16. Previous year's figures have been re-grouped and re-arranged wherever necessary so as to make them comparable with the current year.

As per our Report of even date attached
For LAXMINIWAS & Co
Chartered Accountants
Firm Registration No:011168S

Vijay Singh
Partner
Membership No: 221671

Place: Hyderabad
Date : 31.07.2020

For and on behalf of the Board of Directors of
Vijay Textiles Limited
CIN : L18100TG1990PLC010973

Sd/-
Vijay Kumar Gupta
Chairman & Managing Director
DIN:01050958

Sd/-
Susheel Kumar Gupta
Executive Director & CFO
DIN:00362714

Sd/-
S. Nagarajan
Company Secretary
M.No:2532

If undelivered, Please return to

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Secunderabad, Telangana - 5000 003.
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Email: info@vijaytextile.in Website: www.vijaytextiles.in