



**Anjani Synthetics Limited**

(A Govt. recognised 'Export House')

CIN : L11711GJ1984PLC007048

30th September, 2017

To  
The Secretary,  
Compliance Department,  
**BSE Limited**  
P. J. Tower, Dalal Street,  
Mumbai -400 001

BSE Code:531223

Dear Sir/Madam,

**Sub.: Submission of 33<sup>rd</sup> Annual Report**

Pursuant to Regulation 34(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is required to submit the Annual Report within 21 working days of it being approved and adopted in annual general meeting as per the provisions of the Companies Act, 2013. Please note that all resolutions as mentioned in the notice, placed before AGM, were approved by the members of the Company with the requisite majority.

We hereby submitting 33rd Annual Report 2016-17 approved and adopted in our 33rd Annual General Meeting held on 29th September, 2017 at Plot No.140, Saijpur-Gopalpur, Pirana Road, Piplej, Ahmedabad-382405, Gujarat, India at 11.00 a.m kindly find the same as enclosure.

We request you to take of the above.

Thanking you,

Yours truly,  
For, ANJANI SYNTHETICS LIMITED



*Vasudev S. Agarwal*  
[VASUDEV S. AGARWAL]  
MANAGING DIRECTOR  
DIN: 01491403

Encl.: A/a.

**Regd.Office** : 221, Maliya New Cloth Market, O/s. Raipur Gate, Ahmedabad-380002. Tel : +91 079 22173181

**Mills** : 140, Pirana Road, Piplej, Ahmedabad-382405. Tel : +91 079 25715544 - 45

**Email** : info@anjanisynthetics.com **Website** : www.anjanisynthetics.com



# **ANJANI SYNTHETICS LIMITED**

[CIN : L11711GJ1984PLC007048]

**33<sup>rd</sup>**

**Annual Report**

**2016 - 2017**

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



# ANJANI SYNTHETICS LIMITED

CIN: L11711GJ1984PLC007048

## 33RD ANNUAL REPORT 2016-2017

### Corporate Information

#### **BOARD OF DIRECTORS :**

Mr. Vasudev S. Agarwal	- Chairman & Managing Director
Mr. Mahavirprasad S. Dalmia	- Whole Time Director
Mrs. Pooja S. Sharma	- Non-Executive Independent Director
Mr. Rakesh Agarwal	- Non-Executive Independent Director
Mr. Govindprasad M. Goyal	- Non-Executive Independent Director (Appoint w.e.f.12.11.2016)
Mr. Manoharlal Sharma	- Chief Financial Officer
Mr. Rushabh M. Shah	- Company Secretary & Compliance Officer (Appoint w.e.f.01.05.2017)

#### **STATUTORY AUDITORS :**

**M/s. Nahta Jain & Associates**  
Chartered Accountants  
Ahmedabad.

#### **SECRETARIAL AUDITORS :**

**M/s. Mukesh H. Shah & Co.**  
Company Secretaries  
Ahmedabad.

#### **REGISTRAR & SHARE TRANSFER AGENT :**

**BigShare Services Private Limited**  
A-802, Samudra Complex,  
Nr. klassic Gold Hotel, Off. C. G Road,  
Ahmedabad-380 009. Gujarat. Ph. 079-40024135  
Email: bssahdbigshareonline.com  
Website : www.bigshareonline.com

#### **REGISTERED OFFICE :**

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

#### **INTERNAL AUDITORS :**

**M/s. Kamal M. Shah & Co.,**  
Chartered Accountants  
Ahmedabad.

#### **COST AUDITORS :**

**M/s. Kiran J. Mehta & Co.**  
Cost Auditors  
Ahmedabad.

#### **BANKERS :**

**Punjab National Bank**  
Ahmedabad.

#### **FACTORY / MILL :**

Plot No. 140, Pirana Road, Saijpur-Gopalpur,  
Piplej, Ahmedabad-382405, Gujarat, India.  
Ph. No.: 079- 25715544  
Tele-Fax: 079- 25715545  
Email: accounts@anjanisynthetics.com

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**33RD ANNUAL GENERAL MEETING HELD ON 29.09.2017 AT FACTORY  
AT PLOT NO.140, SAIJPUR-GOPALPUR, PIRANA ROAD, PIPELJ, AHMEDABAD-382405, GUJARAT.**



Dear Shareholders,

I am happy to share with you the financial and operating performance of Anjani Synthetics Limited (ASL) for the financial year 2017. The year was eventful with external headwinds that impacted business performance. In the second half of the year, the Government's demonetization initiative adversely impacted the cash-based Indian economy. The Indian fabric industry was affected as 80% of end users, have traditionally been almost entirely cash operated.

Despite these macro uncertainties, ASL registered a topline growth in FY17. The Company introduced new superior products and enhanced its distribution network to drive growth in volumes. We have also expanded our overseas presence in key markets and our initiatives are already yielding positive results. However, profitability was lower due to intensifying competition, pressure from raw material prices and our continued commitment to investing in several aspects of the business with an eye to future growth.

During the year, we have made some key strategic initiatives to expand customer engagement. Having invested in brand building, people and growing our footprint, we remain confident of emerging as a leading player in the fabric sector. The long-term growth story is intact, with macro factors such as improving infrastructure, increasing economic activity. With the implementation of GST and due to lasting effects of demonetization, we expect that organized players like us will gain more traction.

Over the years, ASL has gained prominence as a premier fabric provider with a broad range of products that deliver excellent performance in diverse weather. We will continue to build and expand presence in the ensuing fiscal year by expanding our production system and by offering comprehensive products to customers.

In conclusion, we are enthused about future opportunities and believe that our focused initiatives will help us to deliver enhanced business performance over the long term. I would like to thank all our colleagues for their high level of commitment that we believe will take the Company to greater heights in times to come. I would also like to express my deepest gratitude to all my colleagues on the board, for their significant contribution towards providing direction to ASL's performance.

I am deeply thankful to our customers, business associates, suppliers, bankers and legal authorities for their loyalty and trust in us. Lastly, my sincere appreciation to all our shareholders for continued support in our journey to create long-term value.

**VASUDEV S. AGARWAL**

**Chairman**

**NOTICE**

**Notice** is hereby given that the **33rd Annual General Meeting** of the Members of **Anjani Synthetics Limited** will be held at Plot No.140, Saijpur-Gopalpur, Pirana Road, Piplej, Ahmedabad-382405, Gujarat, India on **Friday, the 29th day of September, 2017 at 11.00 a.m.** to transact the following business:

**a) ORDINARY BUSINESS:****Item No.1: Adoption of Financial Statements**

To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended 31st March, 2017, the reports of the Board of Directors and the Auditors thereon.

**Item No.2: Appointment of Director**

To appoint Mr. Mahavir Prasad Dalmia [DIN: 02884037] as a Director who retires by rotation and being eligible, offers himself for re- appointment.

**Item No.3: Appointment of Statutory Auditors**

To appoint M/s. Abhishek Kumar & Associates, Chartered Accountants as Statutory Auditors of the Company in place of M/s. Nahta Jain & Associates, Chartered Accountants, and in this regard 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 139,142 and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), M/s. ABHISHEK KUMAR & ASSOCIATES., Chartered Accountants [FRN NO.: 130052W], ahmedabad, be and are hereby appointed as the Statutory Auditor of the Company in place of the retiring Auditors M/s. NAHTA JAIN & ASSOCIATES, Chartered Accountants, Ahmedabad, to hold office for a term of five consecutive financial years, from the conclusion of this 33rd Annual General Meeting of the Company till the conclusion of the 38th Annual General Meeting, subject to ratification of the appointment at every Annual General Meeting, on such remuneration plus tax as applicable and reimbursement of out-of pocket expenses in connection with the audit as may be mutually agreed upon by the Board of Directors and the Auditors.”

**b) SPECIAL BUSINESS:****Item No.4: Appoint Mr. Govindprasad Madanchand Goyal [DIN: 07642571] as a Director of the Company and as an Independent Director**

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 Sections 149,150, 152, Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 (Act), read with the Rules made thereunder, (including any statutory modification(s) or re-enactment thereof for the time being in force) **Mr. Govindprasad Madanchand Goyal [DIN: 07642571]**, who was appointed as an Additional Director (Independent) of the Company by the Board of Directors with effect from 12.11.2016 and who holds office till the date of the Annual General Meeting, in terms of Section 161 of the Act, and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Act, signifying his intention to propose **Mr. Govindprasad Madanchand Goyal [DIN: 07642571]** as a candidate for the office of a Director of the Company, be and is hereby appointed as an Independent Director, not liable to retire by rotation, to hold office for a term of five consecutive years upto September 28,2022.”

**Item No.5: Ratification of remuneration payable to Cost Auditors for the financial year 2017-18**

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

“RESOLVED THAT pursuant to the provisions of Section 148 and all other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Cost Audit and Record) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), M/s. Kiran J. Mehta & Co., Cost Accountants (Firm Registration No. 000025), on the recommendation of the Audit Committee and approval by the Board of Directors of the Company, to conduct the audit of the cost records of the Company for the financial year 2017-18, be paid the remuneration as set out in the Statement annexed to the Notice convening this Meeting be and is hereby approved and ratified.”

**Item No.6: Re-Appointment of Mr. Vasudev S. Agarwal [DIN: 01491403] as a Managing Director**

To consider and if thought fit to pass with or without modification(s) the following resolution as a **Ordinary Resolution**

“RESOLVED THAT pursuant to the provisions of Sections 196, 197, 203 and other applicable provisions, if any, of the Companies Act, 2013 (‘the Act’) (including any statutory modification or re-enactment thereof for the time being in force), read with Schedule V to the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended from time to time and the Articles of Association of the Company, approval of the Company be and is hereby accorded for the re-appointment and terms of remuneration of Mr. Vasudev S. Agarwal [DIN: 01491403] as a Managing Director of the Company for a period of 5 (five) years w.e.f. 01.10.2017 upon the terms and conditions as set out in the Explanatory Statement annexed to the Notice convening this meeting (including the remuneration to be paid in the event of loss or inadequacy of profits in any financial year during the tenure of his appointment), with liberty to the Board of Directors to alter and vary the terms and conditions of the said re-appointment in such manner as may be agreed to between the Board of Directors of the Company and Mr. Vasudev S. Agarwal.”

“RESOLVED FURTHER THAT the Board of Directors of the Company (which term shall be deemed to include any Committee of the Board constituted to exercise its powers, including the powers conferred by this Resolution), be and is hereby authorized to take all such steps as may be necessary, proper and expedient to give effect to this Resolution.”

**Item No.7: Appointment of Mr. Mahavirprasad S. Dalmia [DIN: 02884037] as a Whole Time Director**

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 Sections 196, 197, 203 and other applicable provisions, if any, of the Companies Act, 2013 (‘the Act’) (including any statutory modification or re-enactment thereof for the time being in force), read with Schedule V to the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended from time to time and the Articles of Association of the Company, approval of the Company be and is hereby accorded for the appointment and terms of remuneration of Mr. Mahavirprasad S. Dalmia [DIN: 02884037] as a Whole-time Director of the Company for a period of 5 (five) years w.e.f. 01.09.2017 upon the terms and conditions as set out in the Explanatory Statement annexed to the Notice convening this meeting (including the remuneration to be paid in the event of loss or inadequacy of profits in any financial year during the tenure of his appointment), with liberty to the Board of Directors to alter and vary the terms and conditions of the said appointment in such manner as may be agreed to between the Board of Directors of the Company and Mr. Mahavirprasad S. Dalmia.”

“RESOLVED FURTHER THAT the Board of Directors of the Company (which term shall be deemed to include any Committee of the Board constituted to exercise its powers, including the powers conferred by this Resolution), be and is hereby authorized to take all such steps as may be necessary, proper and expedient to give effect to this Resolution.”

**Item No.8: To Give Authority for related party transaction and in this regard, to consider and, if thought fit to pass, with or without modification (s) the following resolution as a Special Resolution:**

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

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

**Item No.9: Issuance of 39,49,000 Equity Share on Preferential Basis and in this regard, to consider and, if thought fit to pass, with or without modification (s) the following resolution as a Special Resolution:**



“**RESOLVED THAT** pursuant to the provisions of Sections 62(1)(c), 42 and such other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Share Capital and Debentures) Rules, 2014 and the Companies (Prospectus and Allotment of Securities) Rules, 2014 and in accordance with the enabling provisions of the Memorandum and Articles of Association of the Company and in accordance with the provisions on preferential issue as contained in the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended (“SEBI (ICDR) Regulations”), the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended and any other rules/ regulations/ guidelines, notifications, circulars and clarifications issued thereon from time to time by the Government of India, the Securities and Exchange Board of India (“SEBI”) and subject to such approvals, consents, permissions and sanctions as may be necessary or required from regulatory or other appropriate authorities, including but not limited to SEBI and subject to such conditions and modifications as might be prescribed while granting such approval, consents, permissions and sanctions and which terms may be agreed to by the Board of Directors of the Company (the “Board”, which term includes a duly constituted and authorized committee), the consent of the Members of the Company be and is hereby accorded to the Board to create, issue, offer and allot upto maximum of 39,49,000 (Thirty Nine Lakh Forty Nine Thousand) Equity Shares of Rs.10/- (Rupees Ten only) each, at a price of Rs.26/- (Rupees Twenty Six only) per share including premium of Rs.16/- (Rupees Sixteen only) per equity share, aggregating to Rs.10,26,74,000/- (Rupees Ten Crores Twenty Six Lakhs Seventy Four Thousand only) on preferential basis to the following persons for cash which shall rank pari-passu with the existing equity shares of the Company, in such form and manner and upon such terms and conditions as may be determined by the Board in accordance with SEBI (ICDR) Regulation, 2009 or other provisions of the law as may be prevailing at the time.

<b>Sr. No</b>	<b>Name of the proposed Allottee</b>	<b>Category</b>	<b>No. of Equity share be issued</b>	<b>Issue Price of shares (In Rupees)</b>
1	SUBHKARAN T. AGARWAL-HUF	PROMOTER	340000	8840000
2	BIMLADEVI S. AGARWAL	PROMOTER	120000	3120000
3	VASUDEV S. AGARWAL	PROMOTER	638000	16588000
4	VASUDEV S. AGARWAL-HUF	PROMOTER	360000	9360000
5	ANITA V. AGARWAL	PROMOTER	282000	7332000
6	KAILASH S. AGARWAL	PROMOTER	731000	19006000
7	KAILASH S. AGARWAL-HUF	PROMOTER	448000	11648000
8	AKSHIKA K AGARWAL	PROMOTER	220000	5720000
9	SUNIL KANAIYALAL MEHTA	NON-PROMOTER	200000	5200000
10	ROOPA SUNIL MEHTA	NON-PROMOTER	200000	5200000
11	SANDIP CHANDRAKANT SHAH	NON-PROMOTER	210000	5460000
12	BHAVINI SANDIP SHAH	NON-PROMOTER	200000	5200000
	<b>Total</b>		<b>3949000</b>	<b>102674000</b>

“**RESOLVED FURTHER THAT** without prejudice to the generality of the above, the issue of Equity Shares shall be subject to following terms:

- I. In accordance with the provisions of Chapter VII of the SEBI ICDR Regulations, the “Relevant Date” for the purpose of calculating the floor price (inclusive of premium) for the purpose of issue of Equity Shares is 30.08.2017 which is the date falling 30 (Thirty) days prior to the date of Annual General Meeting or such other date as may be prescribed in accordance with the SEBI ICDR Regulations.
- II. That the said Equity Shares shall be issued and allotted by the Company to the above Proposed Allottees within a period of 15 (Fifteen) days from the date of passing of this resolution provided that where the allotment of the said Equity Shares is pending on account of delay of any approval for such allotment by any regulatory authority or the Central Government, the allotment shall be completed within a period of 15 (Fifteen) days from the date of such approval.



- III. The Equity Shares to be so allotted shall be in dematerialised form and shall be subject to the provisions of the Memorandum and Articles of Association of the Company, and shall rank pari-passu in all respects including dividend, with the existing Equity Shares of the Company.
- IV. The Equity Shares allotted shall be subject to a lock-in for such period as specified under Chapter VII of SEBI ICDR Regulations relating to Preferential Issues.

“RESOLVED FURTHER THAT for the purpose of giving effect to the above, the Board be and is hereby authorized to do all such acts, matters, deeds and things as it may in its absolute discretion deem necessary, desirable and expedient for such purpose, including without limitation, issuing clarifications on the offer, issue and allotment of the Equity Shares and listing of Equity Shares at the Stock Exchange/s as per the terms and conditions of SEBI LODR Regulations and other applicable Guidelines, Rules and Regulations, to execute the necessary documents and enter into contracts, arrangements, agreements, documents (including appointment of agencies, intermediaries and advisors for the Preferential Issue), resolving all questions or doubt that may arise with respect to the offer, issue and allotment of Equity Shares, and to authorize all such persons as may be deemed necessary, in connection therewith and incidental thereto as the Board in its absolute discretion shall deem fit without being required to seek any fresh approval of the shareholders of the Company and that the decision of the Board shall be final and conclusive.”

“RESOLVED FURTHER THAT subject to SEBI Regulations and other applicable laws, the Board be and is hereby authorized to decide and approve terms and conditions of the issue of above mentioned Equity Shares and to vary, modify or alter any of the terms and conditions, including size of the issue, as it may deem expedient.”

“RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the powers herein conferred to any Committee of the Board or any Director(s) or Officer(s) of the Company and to generally do all such acts, deeds and things as may be required in connection with the aforesaid resolutions, including making necessary filings with the Stock Exchanges and Regulatory Authorities and execution of any documents on behalf of the Company and to represent the Company before any governmental authorities and to appoint any Merchant Bankers or other Professional Advisors, Consultants and Legal Advisors to give effect to the aforesaid resolution.”

**BY ON BEHALF OF THE BOARD  
FOR, ANJANI SYNTHETICS LIMITED**

**PLACE : AHMEDABAD  
DATE : 31.08.2017**

**[VASUDEV S. AGARWAL]  
DIN: 01491403  
Chairman and MD**

**Registered Office:**

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

**CIN: L11711GJ1984PLC007048**

**NOTES:**

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

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

- The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, relating to Special Business is annexed hereto.





3. Corporate members intending to send their authorized representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.
  4. Members/ proxies are requested to bring their copies of Annual Report along with duly filed and signed attendance sheets attached with it for attending the meeting.
  5. Members who are holding shares in dematerialized form are required to bring details of their Beneficiary Account Number for identification.
  6. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
  7. Members desiring any information on the Accounts are requested to write to the Company at least 10 days before the meeting, so as to enable the Management to keep the information ready. Replies will be provided only at the meeting.
  8. Members holding shares in electronic form are requested to intimate immediately any changes in their address or bank mandates to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form are requested to advise any change in their address or bank mandates immediately to the Company.
  9. Notice of this Annual General Meeting, Audited Financial Statements for 2016-17 along with Directors report and Auditors' Report are available on the website of the Company <http://www.anjanisynthetics.com/>
  10. The Register of Members and the Share Transfer Register of the Company will remain closed from 22.09.2017 to 29.09.2017 (both days inclusive).
  11. Bigshare Services Private Limited having its branch office at A-802 Samudra Complex, Near Klassic Gold Hotel, Off. C G Road, Ahmedabad-380009, Gujarat is the Registrars and Share Transfer Agents of the Company. The members are requested to please ensure that their shares are converted into Demat Form.
  12. Members who hold shares in physical form in multiple folios in identical names or joint holding in the same order of names are requested to send the share certificates to Bigshare Services Private Limited, for consolidation into a single folio.
  13. Pursuant the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in respect of the Directors seeking appointment/re-appointment at the Annual General Meeting, forms integral part of the Notice. The Directors have furnished the requisite declarations for their appointment/re-appointment.
  14. Relevant documents referred to in the accompanying Notice are open for inspection by the members at the Registered Office of the Company on all working days, except Saturdays, between 11.00 a.m. to 1.00 p.m. up to the date of the Meeting.
  15. The route map showing directions to reach the venue of the thirty third AGM is annexed.
  16. Pursuant to Section 101 and Section 136 of the Companies Act, 2013 read with relevant provisions of Companies (Management and Administration) Rules, 2014, companies can serve annual reports and other communications through electronic mode to those members who have registered their e-mail address either with the company or with the depository. Hence, members are requested to provide their email address to the Company/the Registrar and Transfer Agent or update the same with their depositories to enable the Company to send the documents in electronic form.
  17. Members who have not registered their e-mail addresses so far are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc. form the Company electronically.
  18. Pursuant to the prohibition imposed vide Section 118 of the Companies Act, 2013 read with Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India, no gifts/coupons shall be distributed at the Meeting.
  19. **E-voting** (Voting through Electronic means): EVSN No.170818007
- \* In compliance with the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, substituted by the Companies (Management and Administration)



Amendment Rule, 2015 and Regulation 44 the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide members facility to exercise their right to vote at the 33rd Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by Central Depository Services India Limited (CDSL). Members if the Company holding shares either in the physical form or in Dematerialized form, as on cut-off date i.e. 22nd September, 2017 may cast their vote by electronic means or in the Annual General Meeting (AGM). The detailed process instruction and manner for e-voting facility is enclosed herewith.

- \* The Company shall also arrange for the physical voting by use of ballot or polling paper at the AGM for the members who have not cast their vote through remote e-voting.
- \* The Members who have cast their vote by remote e-voting may also attend the Annual General Meeting (AGM), but shall not be entitled to cast their vote again.
- \* The remote e-voting period commences on Tuesday, 26th September, 2017 (9:00 a.m.) and ends on Thursday, 28th September, 2017 (5:00 p.m.). During this period, Members holding shares either in physical form or demat form, as on 22nd, September, 2017 i.e. cut-off date, may cast their vote electronically. The e-voting module shall be disabled for voting thereafter. Once the vote on a resolution is cast by the Member, he/ she shall not be allowed to change it subsequently or cast vote again.
- \* The voting rights of Members shall be in proportion to their shares in the paid up equity share capital of the Company as on cutoff date. A person, whose names is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on cutoff date only shall be entitled to avail facility of remote e-voting and poll process at the venue of the Meeting.
- \* Any person, who acquires shares of the Company and becomes a Member of the Company after dispatch of the Notice and holding shares as on cutoff date, may cast vote after following the instructions for e-voting as provided in the Notice convening the Meeting, which is available on the website of the Company and CDSL. However, if you are already registered with CDSL for remote e-voting then you can use your existing User ID and password for casting your vote.
- \* The Board of Directors has appointed Mr. Mukesh H. Shah, Practicing Company Secretary [COP No.2213] as a Scrutinizer to scrutinize the voting and remote e-voting process in a fair and transparent manner.
- \* The Scrutinizer shall, immediately after the conclusion of voting at the meeting, would count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and make, not later than three days of conclusion of the meeting, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman, who shall countersign the same.
- \* The results declared along with the Scrutinizer's Report shall be placed on the Company's website [www.anjanisynthetics.com](http://www.anjanisynthetics.com) and on the website of CDSL [www.evotingindia.com](http://www.evotingindia.com) immediately after the result is declared. The Company shall simultaneously forward the results to BSE Limited, where the equity shares of the Company are listed.

**The instructions for members for voting electronically are as under: (EVSN- 170818007)**

- (i) The voting period begins on Tuesday, 26th September, 2017 (9:00 a.m.) and ends on Thursday, 28th September, 2017 (5:00 p.m.). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. 22nd September, 2017, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) The Shareholders should Log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com)
- (iv) Click on "Shareholders" tab.
- (v) Now Enter your User ID
  - \* For CDSL: 16 digits beneficiary ID,
  - \* For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - \* Members holding shares in Physical Form should enter Folio Number registered with the Company



- (vi) Next enter the image verification Code as displayed and Click on Login.
- (vii) If you are holding shares in Demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and casted your vote earlier for EVSN of any Company, then your existing password is to be used.
- (viii) If you are a first time user follow the steps given below.

**For Members holding shares in Demat Form and Physical Form**

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

- (ix) After entering these details appropriately, click on “SUBMIT” tab.
- (x) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xii) Click on EVSN of the Company i.e. **170818007** to vote.
- (xiii) On the voting page, you will see **RESOLUTION DESCRIPTION** and against the same the option “**YES/ NO**” for voting. Select the option **YES or NO** as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiv) Click on the “**RESOLUTIONS FILE LINK**” if you wish to view the further description/ entire Resolutions.
- (xv) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xvi) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- (xviii) If Demat account holder has forgotten the changed password, then enter the User ID and image verification Code click on Forgot Password & enter the details as prompted by the system.
- (xix) Shareholders can also use Mobile app - “m-Voting” for e voting. m-Voting app is available on IOS, Android & Windows based Mobile. Shareholders may log in to m-Voting using their e voting credentials to vote for the company resolution(s)
- (xx) Note for Non-Individual Shareholders and Custodians:
  - \* Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.



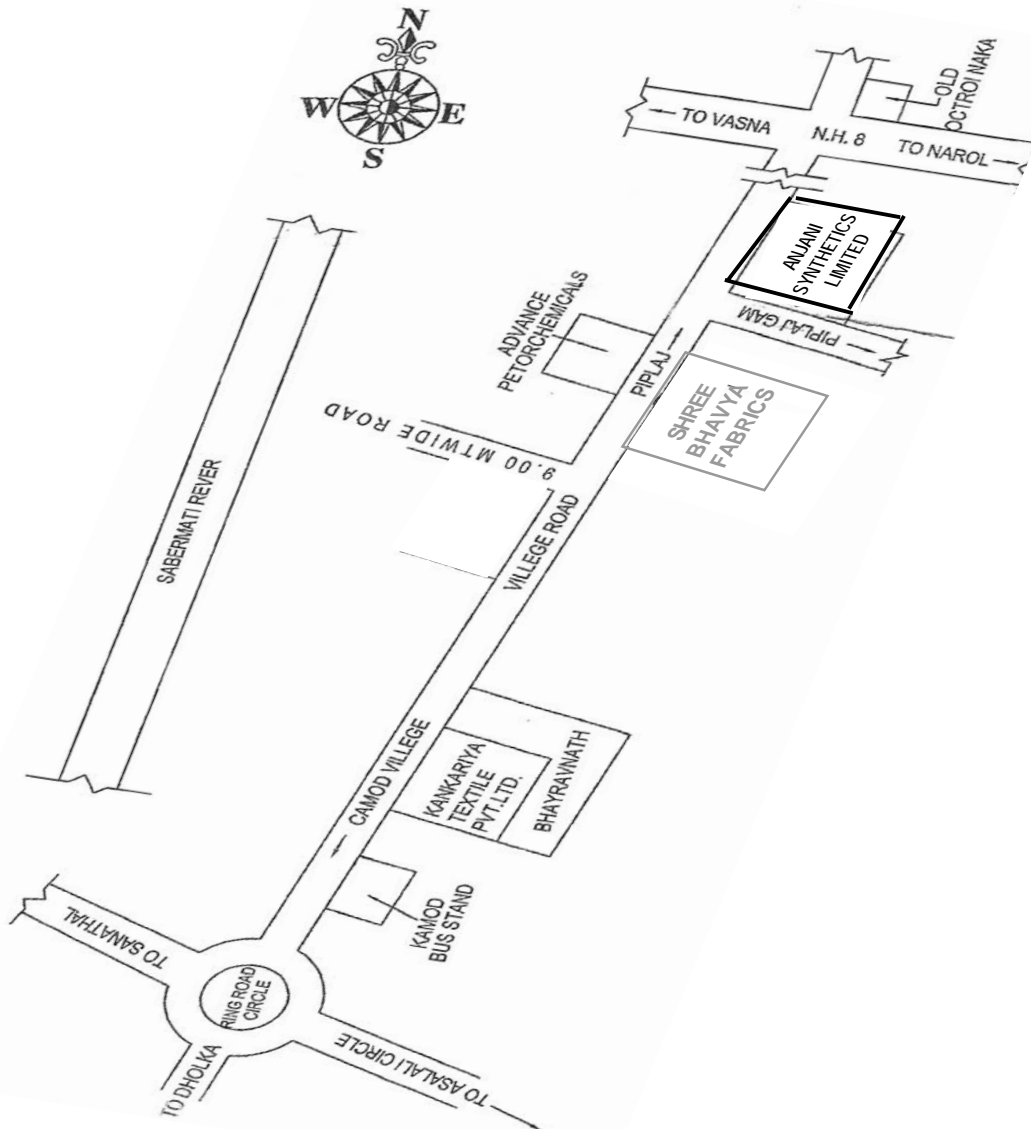
- \* A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
  - \* After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
  - \* The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
  - \* A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xxi) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com) under help section or write an email to helpdesk.evoting@cdslindia.com

**Contact Details:**

Deputy Manager, CDSL  
 17th Floor, P.J. Towers, Dalal Street, Fort, Mumbai - 400 001  
 Email: wenceslausf@cdslindia.com / Tel: 022-22723333/ 8588

**Road Map to the 33<sup>rd</sup> AGM Venue**

**Venue: Plot No. 140, Pirana Road, Piplej, Ahmedabad-382405, Gujarat, India**



**EXPLANATORY STATEMENT****UNDER SECTION 102 OF THE COMPANIES ACT, 2013**

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

**Item No.3:**

This Explanatory Statement is provided though strictly not required as per Section 102 of the Act. In terms of the provisions of Section 139 of Companies Act, 2013 (the "Act"), no listed company can appoint or re-appoint an audit firm as statutory auditor for more than two terms of five consecutive years. The Act further prescribes that the company has to comply with these provisions within three years from the commencement of the Act.

M/s. NAHTA JAIN & ASSOCIATES, Chartered Accountants, Ahmedabad, existing Statutory Auditors has been in office for more than ten years. As per second proviso to Section 139(2) of the Companies Act, 2013 ('the Act'), a transition period of three years from the commencement of the Act was provided to appoint a new auditor when the existing audit firm has completed two terms of five consecutive years. In compliance with the provisions of the Act,

the Company will have to appoint a new auditor in place of the existing Statutory Auditors by March 31, 2017.

The Board of Directors has, based on the recommendation of the Audit Committee at their meeting held on August 14, 2017, proposed the appointment of M/s. ABHISHEK KUMAR & ASSOCIATES., Chartered Accountants [FRN NO.: 130052W], ahmedabad as the Statutory Auditor of the Company in place of the existing Statutory Auditors to hold office from the conclusion of this AGM until the conclusion of the 38th AGM of the Company, subject to ratification by the members at every AGM.

M/s. ABHISHEK KUMAR & ASSOCIATES., Chartered Accountants [FRN NO.: 130052W], ahmedabad have consented to their appointment as Statutory Auditors and have confirmed that if appointed, their appointment will be in accordance with Section 139 read with Section 141 of the Act.

None of the Directors, Key Managerial Personnel and their relatives is, in any way, concerned or interested, financial or otherwise, in this resolution.

The Board recommends the resolution set forth for the approval of the members.

**Item No.4:**

Mr. Govindprasad Madanchand Goyal (DIN 07642571) was appointed as an additional director w.e.f. 12.11.2016 at the Board Meeting held on 12.11.2016. According to the provisions of Section 161 of the Companies Act 2013 ("Act"), he holds office as Director only up to the date of the ensuing Annual General Meeting. As required under Section 160 of the Act, a notice has been received from a member signifying its intention to propose the appointment of Mr. Govindprasad Madanchand Goyal (DIN 07642571) as a Director along with the deposit of requisite amount.

Mr. Govindprasad Madanchand Goyal (DIN 07642571) has given declaration under Section 149(7) of the Companies Act, 2013 that he fulfills the conditions specified in Section 149(6) of the Companies Act, 2013 read with Rules made thereunder for his appointment as an Independent Director of the Company and is independent of the management.

Members are further requested to note that Mr. Govindprasad Madanchand Goyal (DIN 07642571) has given declarations that he is not disqualified to become a Director under Section 164(2) of the Companies Act, 2013 and he consent to hold office as Director.

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

Except Mr. Govindprasad Madanchand Goyal, none of the other Directors, Key Managerial Personnel and their relatives are in any concerned or interested in this resolution.

**Item No.5:**

The Board of Directors, on the recommendation of the Audit Committee, has approved the appointment of Kiran J. Mehta & Co., Cost Accountants as the Cost Auditors of the Company to audit the cost accounts/ cost records of the Company for the financial year 2017-18 on a remuneration of Rs.50,000/- (apart from reimbursement of out of pocket expenses and applicable taxes).

In accordance with the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Cost Audit and Record) Rules, 2014, the remuneration payable to the Cost Auditors has to be ratified by the Shareholders of the



Company. Accordingly, consent of the members is sought for approval and ratification of the remuneration payable to the Cost Auditors for the financial year 2017-18.

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

None of the Directors or any key managerial personnel or any relative of any of the Directors of the Company or the relatives of any key managerial personnel is, in anyway, concerned or interested in this resolution.

#### ITEM NO.6:

The Board of Directors of the Company (the 'Board'), at its meeting held on August 14, 2017 has, subject to the approval of Members, to re-appoint Mr. Vasudev S. Agarwal (DIN 01491403) as a Managing director, for a period of 5 (five) years w.e.f. October 01, 2017, on the remuneration determined by the Remuneration Committee of the Board and approved by the Board. It is proposed to seek Members' approval for the re-appointment of and remuneration payable to, Mr. Vasudev S. Agarwal (DIN 01491403) as a Managing director, in terms of the applicable provisions of the Companies Act, 2013 ("the Act"). Broad particulars of the terms of re-appointment of and remuneration payable to Mr. Vasudev S. Agarwal (DIN 01491403) are as under:

(a) **Salary: Rs.3,00,000=00 p.m. w.e.f. 01.10.2017**

(b) **Perquisites and allowances:** The perquisites and allowances not exceeding Rs.50,000/- p.m., shall include accommodation (furnished or otherwise) or house rent allowance in lieu thereof; house maintenance allowance together with reimbursement of expenses and/ or allowances for utilization of gas, electricity, water, furnishing and repairs; medical reimbursement; leave travel concession for self and family including dependents; medical insurance and such other perquisites and/ or allowances. The said perquisites and allowances shall be evaluated, wherever applicable, as per the provisions of Income Tax Act, 1961 or any rules thereunder or any statutory modification(s) or re-enactment thereof; in the absence of any such rules, perquisites and allowances shall be evaluated at actual cost. The Company's contribution to Provident Fund, Superannuation or Annuity Fund, to the extent these singly or together are not taxable under the Income Tax law, gratuity payable and encashment of leave shall not be included for the purpose of computation of the overall ceiling of remuneration.

(b) **Commission:** In addition to the salary, perquisites and allowances as set out above, Mr. Vasudev S. Agarwal (DIN 01491403) shall be entitled to receive commission on net profits. The commission payable to him will be determined by the Board and/ or the Remuneration Committee of the Board for each financial year. The overall remuneration including commission shall not exceed 5% of the net profits of the Company as computed in the manner referred to under Section 198(1) of the Act, or any statutory modification(s) or re-enactment thereof.

(c) **Reimbursement of Expenses:** Reimbursement of expenses incurred for traveling, boarding and lodging including for their respective spouses and attendant(s) during business trips; provision of car for use on the Company's business; telephone expenses at residence and club membership shall be reimbursed and not considered as perquisites.

In the event of loss or inadequacy of profits during the tenure of service of the Managing Director, the payment of salary, perquisites and other allowances as per rules of the Company shall be governed by the limits prescribed under Section II (A) of Part II of Schedule V to the Companies Act, 2013. A brief resume of **MR. Vasudev S. Agarwal** as required under Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is furnished in the statement on corporate governance.

**Mr. Vasudev S. Agarwal** is interested in the resolution as set out at Item No.6 of the Notice for his re-appointment and remuneration payable to him. Save and except the above none of the other Directors of the Company is, in any way, concerned or interested in the aforesaid resolution.

The Board commends the resolutions as set out at Item No. 6 of the Notice for your approval.

#### ITEM NO.7:

The Board of Directors of the Company (the 'Board'), at its meeting held on August 14, 2017 has, subject to the approval of Members, to appoint Mr. Mahavirprasad Santlal Dalmia (DIN 02884037) as a whole time director, for a period of 5 (five) years w.e.f September 01, 2017, on the remuneration determined by the Remuneration Committee of the Board and approved by the Board. It is proposed to seek Members' approval for the appointment of and remuneration payable to,



Mr. Mahavirprasad Santlal Dalmia (DIN 02884037) as a whole time director, in terms of the applicable provisions of the Companies Act, 2013 ("the Act"). Broad particulars of the terms of appointment of and remuneration payable to Mr. Mahavirprasad Santlal Dalmia (DIN 02884037) are as under:

- (a) **Salary: Rs.1,50,000=00 p.m.**
- (b) **Perquisites and allowances:** The perquisites and allowances not exceeding Rs.20,000/- p.m., shall include accommodation (furnished or otherwise) or house rent allowance in lieu thereof; house maintenance allowance together with reimbursement of expenses and/ or allowances for utilization of gas, electricity, water, furnishing and repairs; medical reimbursement; leave travel concession for self and family including dependents; medical insurance and such other perquisites and/ or allowances. The said perquisites and allowances shall be evaluated, wherever applicable, as per the provisions of Income Tax Act, 1961 or any rules thereunder or any statutory modification(s) or re-enactment thereof; in the absence of any such rules, perquisites and allowances shall be evaluated at actual cost. The Company's contribution to Provident Fund, Superannuation or Annuity Fund, to the extent these singly or together are not taxable under the Income Tax law, gratuity payable and encashment of leave shall not be included for the purpose of computation of the overall ceiling of remuneration.
- (b) **Commission:** In addition to the salary, perquisites and allowances as set out above, Mr. Mahavirprasad Santlal Dalmia (DIN 02884037) shall be entitled to receive commission on net profits. The commission payable to him will be determined by the Board and/ or the Remuneration Committee of the Board for each financial year. The overall remuneration including commission shall not exceed 5% of the net profits of the Company as computed in the manner referred to under Section 198(1) of the Act, or any statutory modification(s) or re-enactment thereof.
- (c) **Reimbursement of Expenses:** Reimbursement of expenses incurred for traveling, boarding and lodging including for their respective spouses and attendant(s) during business trips; provision of car for use on the Company's business; telephone expenses at residence and club membership shall be reimbursed and not considered as perquisites.

In the event of loss or inadequacy of profits during the tenure of service of the Whole-time Director, the payment of salary, perquisites and other allowances as per rules of the Company shall be governed by the limits prescribed under Section II (A) of Part II of Schedule V to the Companies Act, 2013. A brief resume of **MR. Mahavirprasad Santlal Dalmia** as required under Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is furnished in the statement on corporate governance.

**Mr. Mahavirprasad Santlal Dalmia** is interested in the resolution as set out at Item No.7 of the Notice for his appointment and remuneration payable to him. Save and except the above none of the other Directors of the Company is, in any way, concerned or interested in the aforesaid resolution.

The Board commends the resolutions as set out at Item No. 7 of the Notice for your approval.

#### ITEM NO. 8:

Pursuant to the first proviso of Section 188(1) of the Companies Act, 2013, as our paid up capital is more than Rs.10 Crore, no contract or arrangement can be entered in to with a related party for any item specified in sub section (1) except with the prior approval of the general meeting by special resolution. With the change in proviso under the New Companies Act, 2013, the approval is sought for the arrangement of job-work, purchase and sales of Textile goods on order to order basis with related parties as per the details given in table placed herein below for a period of three years.

Sr. No.	Name of the Party	Nature of Interest/relationship	Nature of Transaction	Value estimate transaction per contract
1	Virat Spinners Private Limited	Associate Company	Purchase Sales	Rs.500 lacs Rs.500 lacs
2	Aakruti Textile	Associate Concern	Purchase Sales	Rs.500 lacs Rs.500 lacs
3	Akshika enterprise	Associate Concern	Purchase Sales	Rs.500 lacs Rs.500 lacs
4	Aashna Enterprise	Associate Concern	Purchase Sales	Rs.500 lacs Rs.500 lacs



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

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

#### ITEM NO. 9

Your Company proposed to issue Equity Shares on preferential basis for meeting (a) working capital requirements; (b) repayment of debts; (c) day to day augment and (d) to augment of the required funds for the proposed future projects of the Company. In view of this, it is proposed to create, issue, offer and allot 39,49,000 (Thirty Nine Lakhs Forty Nine Thousand) Equity Share of Rs.10/- each at a minimum price of Rs.26/- per share (including premium of Rs.16/- per share) fully paid to the persons as mentioned in the resolution on preferential allotment basis.

In terms of the provisions of the Companies Act, 2013 read with Rule 13(2) of the Companies (Share Capital and Debentures) Rules, 2014 and the ICDR Regulations, the relevant disclosures/ details are given below

#### a) Objective and Issue Price:

The object of the proposed preferential offer is to meet working capital requirements for day to day requirement of the Company and General Corporate purpose of the Company.

The Equity Shares of Rs.10/- each will be allotted at a price of **Rs. 26/-** (Rupees Twenty Six only) each including premium of Rs.16/- (Rupees Sixteen only) each.

#### b) Intention of the Promoters/ Directors/ Key Management Personnel to subscribe to the offer:

There is promoters or promoter group intend to subscribe shares to the above mentioned preferential allotment of equity shares of the Company, however perspective investors have conveyed to the Company that apart from the promoters and all the proposed allottees will be interested in the special resolution upto their shareholding as mentioned above of the notice presented for the shareholders approval at this meeting.

#### c) Shareholding pattern before and after preferential issue of the capital would be as follows:

Category	Pre-preferential issue		Post preferential issue*	
	No of Shares	%	No of Shares	%
<b>Promoters and Promoter Group (A)</b>	6570940	60.84	9709940	65.83
<b>Public (B)</b>	4230060	39.16	5040060	34.17
<b>Total (A) + (B)</b>	<b>10801000</b>	<b>100.00</b>	<b>14750000</b>	<b>100.00</b>
<b>Custodian (C)</b>	N.A.	N.A.	N.A.	N.A.
<b>Grand Total (A) + (B) + (C)</b>	<b>10801000</b>	<b>100.00</b>	<b>14750000</b>	<b>100.00</b>

\*On assumption that entire 39,49,000 equity shares may be allotted.

#### d) Proposed time within which the allotment shall be completed:

The Allotment of the equity shall be completed within 15 days from the date of the Annual General Meeting provided that where the allotment on preferential basis is pending on account of pendency of any approval of such allotment by any regulatory authority or the Central Government, the allotment shall be completed within 15 days from the date of such approval.





## e) Identity of proposed allottee (s) of Shares and the percentage of the post issue capital that may be held by them:

Name of the Shareholders	Category	Beneficial Ownership	Before Preferential Issue		After Preferential Issue	
			No of Shares Held	% of Share holding	No of Shares Held	% of Share holding
<b>SUBHKARAN T. AGARWAL-HUF</b>	Promoter	Subhkaran T. Agarwal-Karta Bimladevi S. Agarwal-Co-parcener Vasudev S. Agarwal - Member Kailash S. Agarwal - Member Ravi S. Agarwal - Member Suman Agarwal - Member Sejal Agarwal- Member	399700	3.70	739700	5.01
<b>BIMLADEVI S. AGARWAL</b>	Promoter	N.A	148820	1.38	268820	1.82
<b>VASUDEV S. AGARWAL</b>	Promoter	N.A	1745600	16.16	2383600	16.16
<b>VASUDEV S. AGARWAL-HUF</b>	Promoter	Vasudev S. Agarwal - Karta Anita Vasudev Agarwal-Co-parcener Aashna V. Agarwal – Member Aakruti V. Agarwal-Member Aadya V. Agarwal-Member	450800	4.17	810800	5.50
<b>ANITA V. AGARWAL</b>	Promoter	N.A	237600	2.20	519600	3.52
<b>KAILASH S. AGARWAL</b>	Promoter	N.A	1917200	17.75	2648200	17.95
<b>KAILASH S. AGARWAL-HUF</b>	Promoter	Kailash S. Agarwal-Karta Anjana K. Agarwal-Co-parcener Akshika K. Agarwal – Member Parth K. Agarwal-Member	429400	3.98	877400	5.95
<b>AKSHIKA K AGARWAL</b>	Promoter	N.A	100000	0.93	320000	2.17
<b>SUNIL KANAIYALAL MEHTA</b>	Non-Promoter	N.A	0	0.00	200000	1.35
<b>ROOPA SUNIL MEHTA</b>	Non-Promoter	N.A	0	0.00	200000	1.35
<b>SANDIP CHANDRAKANT SHAH</b>	Non-Promoter	N.A	0	0.00	210000	1.42
<b>BHAVINI SANDIP SHAH</b>	Non-Promoter	N.A	0	0.00	200000	1.35

**f) Consequential changes in Voting Rights and change in control:**

Voting rights will change in tandem with the shareholding pattern. There will be no change in control of the Company, pursuant to the Preferential Allotment.

**g) Non transferability of the Securities**

The securities issued and allotted on a preferential basis hereunder will be subject to lock-in as specified under Chapter VII of the SEBI (ICDR) Regulations, 2009

**h) Pricing of the Issue**

The price of equity shares to be issued is fixed at Rs.26/- per equity share of Rs.10/- each in accordance with the price determined in terms of Regulation 76 of the ICDR Regulations.

**i) Basis on which the price has been arrived at:**

The Company is listed on BSE Limited and the equity shares of the Company are frequently traded in accordance with Regulation 71A of the ICDR Regulations.

In terms of ICDR Regulations, the equity shares shall be allotted at a price not less than the higher of the following:

Accordingly, price per equity share of Rs.26/- is higher than the price of Rs.25.38, which has been calculated in accordance with the above provisions.

Since the equity shares of the Company have been listed on the recognized stock exchange/s for a period of more than 26 weeks prior to the Relevant Date, the Company is not required to re-compute the price per equity share.

- (i) The average of the weekly high and low of the volume weighted average price of the related equity shares quoted on the recognized stock exchange during the twenty six weeks preceding the relevant date; or
- (ii) The average of the weekly high and low of the volume weighted average prices of the related equity shares quoted on a recognized stock exchange during the two weeks preceding the relevant date.

**j) Relevant Date**

The relevant date as per the ICDR Regulations for the determination of the price per equity share pursuant to the preferential allotment is 30.08.2017 ("**Relevant Date**") (i.e. 30 days prior to the date of proposed AGM which is 29.09.2017, to approve the proposed preferential issue).

**k) Auditors Certificate:**

A certificate from M/s. Mukesh h. Shah & Co., Practicing Company Secretary, certifying that the issue of equity shares is being made in accordance with requirements of ICDR Regulations shall be placed before the general meeting of the shareholders.

**l) Change in control if any, in the Company that would occur consequent to the preferential offer:**

There shall be no change in management or control of the company pursuant to the issue of the equity shares

**m) The number of persons to whom allotment on preferential basis have already been made during the year. In terms of number of securities as well as price:**

During the year, no preferential allotment has been made to any person.

**n) The total number of shares or other securities to be issued:-**

39,49,000 (Thirty Nine Lakhs Forty Nine Thousand) Equity Shares.

**o) Terms of Issue of the Equity Shares, if any:-**

The Equity Shares allotted in terms of this resolution shall rank pari-passu with existing equity shares of the Company in all respects.

Relevant documents are open for inspection by the members at the Registered Office of the Company on all working days, during business hours up to the date of the Meeting. Additionally, copies of the relevant documents are available for inspection at the corporate office of the Company and will also be made available at the Meeting.



The Board of Directors of the Company believe that the proposed preferential issue is in the best interest of the Company and its members.

The Board commends the Special Resolution set out at Item No.9 of the Notice for approval by the Members.

Except Promoters, Directors and their relatives of the Company to the extent of Shares offered to the entities in which he is beneficial owner, None of the other directors, key managerial personnel and their relatives are concerned or interested in the resolution at Item No.9 of the Notice.

**DETAILS OF DIRECTOR SEEKING APPOINTMENT/ RE-APPOINTMENT AT THE ANNUAL GENERAL MEETING**

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

<b>Name of the Director</b>	<b>Vasudev S. Agarwal</b>	<b>Govindprasad Goyal</b>	<b>Mahavirprasad S.Dalmia</b>
Directors Identification Number [DIN]	<b>01491403</b>	<b>07642571</b>	<b>02884037</b>
Date of Birth	<b>19.11.1968</b>	<b>27.11.1960</b>	<b>10.07.1969</b>
Date of appointment on the Board	<b>03.06.2005</b>	<b>12.11.2016</b>	<b>30.04.2010</b>
Qualifications	<b>Graduate</b>	<b>Graduate</b>	<b>Graduate</b>
Directorship held in other Public Companies (excluding foreign, private and Section 8 companies)	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>
Memberships/ Chairmanships of Committee of other public companies (includes only Audit Committee & Stakeholders' Relationship Committee)	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>
Number of shares held in the Company	<b>1745600</b>	<b>Nil</b>	<b>Nil</b>
Expertise in Specific Area	<b>Marketing Production &amp; Finance</b>	<b>Accounts</b>	<b>Legal &amp; Factory Management</b>

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

**PLACE: AHMEDABAD.**

**DATE : 31.08.2017**

**[VASUDEV S. AGARWAL]**

**DIN: 01491403**

**CHAIRMAN & MD**



## DIRECTORS' REPORT

Dear Members,

The Directors of your company have great pleasure in presenting the Thirty Third Annual Report together with the Audited statements of Accounts of your Company for the financial year ended on 31st March 2017.

### FINANCIAL SUMMARY

The summary of the company's financial performance of the Company during the financial year 2016-17 as compared to the previous financial year 2015-16 is given below:

Particulars	Financial Year 2016-17	Financial Year 2015-16
Revenue from operations (Gross)	37081.81	39537.19
Less: Excise duty	0.00	0.00
Revenue from operations (Net)	37081.81	39537.19
Other income	29.17	31.58
<b>Total Revenue</b>	<b>37110.98</b>	<b>39568.78</b>
<b>Expenses</b>		
(a) Cost of materials consumed	25268.35	26633.15
(b) Purchases of stock-in-trade	10.25	5.99
(c) Changes in inventories of FG, WIP & Stock-in-Trade	1083.62	-359.16
(d) Employee benefits expense	513.67	451.08
(e) Finance costs	840.44	1039.53
(f) Depreciation and amortization expense	602.16	418.23
(g) Other expenses	8299.58	10885.55
<b>Total Expenses</b>	<b>36618.09</b>	<b>39074.37</b>
<b>Profit/ (Loss) before tax</b>	<b>492.88</b>	<b>494.40</b>
<b>Tax expense:</b>		
(a) Current tax expense	166.00	89.00
(b) Deferred tax	5.51	33.41
(c) Prior Period Adjustment	15.16	-1.72
<b>Profit / (Loss) for the year</b>	<b>306.21</b>	<b>373.72</b>
Earnings per share (face value Rs.10/-) Basic & Diluted	2.84	3.46

### OPERATIONS REVIEW :

The Company's total revenue from operations during the financial year ended 31st March 2017 were Rs.37110.98 Lacs as against Rs. 39568.78 Lacs of the previous year with total expenses of Rs.36618.09 lacs (previous year of Rs. 39074.37 lacs). The Company has made Net Profit of Rs.306.21 Lacs as against Rs. 373.72 Lacs of the previous year after considering Depreciation and Provision for Tax .

The EPS of the Company for the year 2016 - 17 is Rs.2.84. The Company is looking forward to infuse additional working capital in the business of the Company in order to carry out the operation of the Company smoothly.

**DIVIDEND:**

No dividend has been recommended in respect of the financial year ended 31st March, 2017 and the entire surplus be ploughed back to the business to meet the needs for additional finance for capital expenditure.

**EXPORTS**

During the financial year, the Company has achieved export sales of Rs.1109.53 Lacs (previous year of Rs. 1360.33 Lacs).

**SUBSIDIARY, JOINT VENTURE (JV) AND ASSOCIATES COMPANIES**

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

**FIXED DEPOSIT:**

The Company has neither accepted nor invited any deposit from public, falling within the ambit of Section 73 of the Companies Act, 2013 and The Companies (Acceptance of Deposits) Rules, 2014.

**SHARE CAPITAL:**

During the year under review there is no change in share capital of the Company. The Authorised Share Capital of the Company as at 31st March, 2017 stood at Rs.15,00,00,000/- and the Paid-up Equity Share Capital of the Company as at 31st March, 2017 stood at Rs.10,80,10,000/-. (Face value Rs.10/- each)

**DIRECTORS:**

In terms of the provision of Section 149 of the Companies Act, 2013 and Regulation 17(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a Company shall have at least one Woman Director on the Board of the Company. Your Company has Mrs.Pooja Sharma as Woman Director on the Board of the Company since 30.05.2015, who is presently the Non-Executive Independent Director of the Company.

As per the provisions of Section 152 of the Companies Act, 2013 and Articles of Association of the Company, Mr. Mahavir Prasad Dalmia(DIN 02884037) being longest in the office shall retire at the ensuing Annual General Meeting and being eligible for re-appointment.

Pursuant to the provisions of the section 161 of the Companies Act, 2013 read with the Articles of Association of the Company, Mr. Govindprasad Madanchand Goyal (DIN 07642571) is appointed as an Additional Director and he shall hold office only up to the date of this Annual General Meeting. The Company has received a notice in writing along with requisite deposit pursuant to section 160 of the Companies Act, 2013 proposing appointment of Mr. Govindprasad Madanchand Goyal (DIN 07642571) as a Director of the Company. Your board has recommended appointment of Mr. Govindprasad Madanchand Goyal (DIN 07642571) as an independent Director not liable to retire by rotation for a period of 5 years.

Details of Director seeking re-appointment as required under the Listing Regulations are provided in the Notice forming part of this Annual Report. Their re-appointments are appropriate and in the best interest of the Company.

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

**KEY MANAGERIAL PERSONNEL (KMP)**

Mr. Vasudev S. Agarwal, Chairman and Managing Director, Mr. Manoharlal S. Sharma, Chief Financial Officer Mr. Rushabh M. Shah, Whole time company secretary of the Company are the Key Managerial Personnel as per the provisions of the Companies Act, 2013



## NUMBER OF BOARD MEETINGS CONDUCTED DURING THE YEAR UNDER REVIEW

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

During the year under review 5 (five) Board Meetings were convened and held on 30.05.2016, 11.08.2016, 12.11.2016, 02.01.2017 and 11.02.2017. The intervening gap between the two meetings was within the period prescribed under the Companies Act, 2013. The details of the meetings are furnished in the Corporate Governance Report which forming part of this Annual Report.

## EXTRACT OF ANNUAL RETURN

Pursuant to sub-section 3(a) of Section 134 and sub-section (3) of Section 92 of the Companies Act, 2013 read with Rule 12 of Companies (Management and Administration) Rules, 2014 the extract of the Annual Return as on 31st March, 2017 in Form MGT-9 forms part of this Annual Report as **Annexure-I**.

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

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

## SECRETARIAL AUDITORS:

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, your Company had appointed Mr. Mukesh H. Shah, Practicing Company Secretary of Ahmedabad to undertake the Secretarial Audit of the Company for the financial year 2016-17. The Report of the Secretarial Audit is annexed to this Annual Report as **Annexure-III**.

## CORPORATE GOVERNANCE REPORT:

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

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

## MANAGEMENT DISCUSSION AND ANALYSIS:

The Management Discussion and Analysis Report for the financial year under review as stipulated under Regulation 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 is presented in the separate section forming part of this Annual Report.

## INSURANCE

Assets of your Company are adequately insured against various perils.

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

There are no material changes and commitments, affecting the financial position of the Company which has occurred between the end of financial year as on 31st March, 2017 and the date of Director's Report i.e. 14.08.2017.

## LISTING WITH STOCK EXCHANGE:

The Company confirms that it has paid the Annual Listing Fees for the year 2017-18 to BSE where the Company's Shares are listed.

**COMMITTEES OF THE BOARD OF DIRECTORS**

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

The Company has following Committees of the Board of Directors:

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

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

**POLICY ON DIRECTOR'S APPOINTMENT AND REMUNERATION**

The Company has a Nomination and Remuneration Committee. The Committee reviews and recommend to the Board of Directors about remuneration for Directors and Key Managerial Personnel and other employee up to one level below of Key Managerial Personnel. The Company does not pay any remuneration to the Non-Executive Directors of the Company other than sitting fee for attending the Meetings of the Board of Directors and Committees of the Board. Remuneration to Executive Directors is governed under the relevant provisions of the Act and approvals.

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

**VIGIL MECHANISM**

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

**RISK MANAGEMENT POLICY**

The Company is aware of the risks associated with the business. It regularly analyses and takes corrective actions for managing/ mitigating the same.

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

**SEXUAL HARRASSMENT OF WOMEN AT WORKPLACE**

The Company has zero tolerance for sexual harassment at workplace and has adopted a policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the rules framed thereunder. During the financial year 2016-17, the Company has not received any complaints on sexual harassment.



## BOARD DIVERSITY

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

## BOARD EVALUATION:

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

The performance evaluation of the Independent Directors was completed.

During the financial year under review, the Independent Directors met on 11th February, 2017 inter-alia, to discuss:

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

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

## PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:

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

## PARTICULARS OF EMPLOYEES

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

### Remuneration Ratio of Directors/ KMP/ Employees:

Name	Designation	Remuneration Paid		+/- in remuneration from previous year (Rs in lacs)	Ratio/ Times per Median of employee remuneration
		FY 2016-17 (Rs in lacs)	FY 2015-16 (Rs in lacs)		
Vasudev S. Agarwal	CMD	18.00	18.00	0.00	517.60/5.18
Manoharlal S. Sharma	CFO	5.20	5.60	(-0.40)	149.53/1.50

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

- a) Employed throughout the year : 94
- b) Employed for part of the year : 31

The number of permanent employees on the rolls of Company: 94 ( Ninety Four ) as on 31 March, 2017.

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



**CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES**

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

All Related Party transactions are placed before the Audit Committee for approval, wherever applicable. Prior omnibus approval for normal business transactions is also obtained from the Audit Committee for the related party transactions which are of repetitive nature and accordingly the required disclosures are made to the Committee on quarterly basis in terms of the approval of the Committee. The details of Related Party Transactions are given in the notes to the financial statements.

The policy on Related Party Transactions as approved by the Board of Directors is uploaded on the website of the Company [www.anjanisynthetics.com](http://www.anjanisynthetics.com)

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

**INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY**

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

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

**AUDITORS****Statutory Auditors:**

M/s. Nahta Jain & Associates, Chartered Accountants, Ahmedabad (Firm Registration No. 106801W), existing Statutory Auditors has been in office for more than ten years and in compliance with the provisions of the Act, the Audit Committee and the Board of Directors of the Company at their meetings held on 14<sup>th</sup> August, 2017, recommended the appointment of M/s. ABHISHEK KUMAR & ASSOCIATES., Chartered Accountants [FRN NO.: 130052W], as the Statutory Auditors (new auditors) of the Company in place of the existing Statutory Auditors to hold office from the conclusion of the forthcoming Annual General Meeting (AGM) until the conclusion of the 38th AGM of the Company, subject to ratification by the members at every AGM. The necessary resolution is being placed before the shareholders for approval.

The new Auditors have confirmed their eligibility to the effect that their appointment, if made, would be within the prescribed limits under the Act and that they are not disqualified for appointment.

The Auditor's report to the shareholders on the standalone and consolidated financials for the year ended March 31, 2017 does not contain any qualification, observation or adverse comment.

**Internal Auditors:**

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

**Cost Auditors**

Your Company has appointed M/s. Kiran J. Mehta & Co., Cost Accountants, Ahmedabad as Cost Auditor of the Company to audit the cost accounts for the financial year 2017-18.

As per Section 148 read with Companies (Audit & Auditors) Rules, 2014 and other applicable provisions, if any, of the Companies Act, 2013 the Board of Directors of your Company has appointed M/s. Kiran J. Mehta & Co., Cost Accountants as the Cost Auditor of the Company for the financial year 2017-18 on the recommendations made by the Audit Committee subject to the approval of the Central Government.

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

The Cost Audit report for the financial year 2015-16 was filed within the due date. The due date for submission of the Cost Audit Report for the financial year 2016-17 is within 180 days from 31st March, 2017.

**Statutory Auditor's Report:**

The Statutory Auditors' Report on the accounts of the Company for the accounting year ended 31<sup>st</sup> March, 2017 is self-explanatory and do not call for further explanations or comments that may be treated as adequate compliance of Section 134 of the Companies Act, 2013.

**DIRECTORS' RESPONSIBILITY STATEMENT:**

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

- a) In preparation of annual accounts for the year ended 31<sup>st</sup> March, 2017, the applicable accounting standards have been followed and that no material departures have been made from the same;
- b) The Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that year;
- c) The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) The Directors had prepared the annual accounts for the year ended 31<sup>st</sup> March, 2017 on going concern basis.
- e) The Directors had laid down the internal financial controls to be followed by the Company and that such Internal Financial Controls are adequate and were operating effectively; and
- f) The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

**General:**

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

1. Details relating to deposits covered under Chapter V of the Companies Act, 2013.
2. Issue of Equity Shares with differential rights as to dividend, voting or otherwise.
3. Issue of shares (including sweat equity shares) to employees of the Company under any scheme save and ESOS.



4. Neither the Managing Director nor the Whole-time Directors of the Company receive any remuneration or commission from any of its subsidiaries.
5. No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.

**ACKNOWLEDGEMENT:**

Your Directors would like to express their appreciation for the assistance and co-operation received from the financial institutions, banks, Government authorities, customers, vendors and members during the year under review. Your Directors also wish to place on record their deep sense of appreciation for the committed services by the executives, staff and workers of the Company.

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

**PLACE: AHMEDABAD.**

**DATE: 14.08.2017**

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



## FORM NO. AOC-2

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

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

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

**Anjani Synthetics Limited** has not entered into any contract/ arrangement/ transaction with its related parties which are not in ordinary course of business or at arm's length during FY 2016-17. The Company has laid down policies and procedures so as to ensure compliance to the subject section in the Companies Act, 2013 and the corresponding Rules. In addition, the process goes through internal and external checking, followed by quarterly reporting to the Audit Committee.

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

**2. Details of material contracts or arrangement or transactions at arm's length basis:**

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

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

PLACE: AHMEDABAD.

DATE: 14.08.2017

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



**ANNEXURE-I**  
**FORM NO. MGT-9**

**EXTRACT OF ANNUAL RETURN AS ON THE FINANCIAL YEAR ENDED ON 31ST MARCH,2017**  
[Pursuant to Section 92(3) of the Companies Act, 2013 & Rule 12(1) of the Companies  
(Management & Administration) Rules, 2014]

**I. REGISTRATION AND OTHER DETAILS:**

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

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

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

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

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

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

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

Sl. No.	Category of Shareholders Particulars	No. of Shares held at the beginning of the year (01.04.2016)				No. of Shares held at the end of the year (31.03.2017)				% Change during the year
		Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
A	Promoters and Promoter Group									
1	Indian									
	a Individual/HUF	6570940	0	6570940	60.84	6570940	0	6570940	60.84	0.00
	b Central Govt.									
	c State Govt.(s)									
	d Bodies Corp.	0	0	0	0	0	0	0	0	0



Sl. No.	Category of Shareholders Particulars	No. of Shares held at the beginning of the year (01.04.2016)				No. of Shares held at the end of the year (31.03.2017)				% Change during the year
		Demat	Physical	Total	% of total	Demat	Physical	Total	% of total	
2	e Banks / FI									
	f Any Other									
	<b>Sub-total (A) (1):-</b>	<b>6570940</b>	<b>0</b>	<b>6570940</b>	<b>60.84</b>	<b>6570940</b>	<b>0</b>	<b>6570940</b>	<b>60.84</b>	<b>0.00</b>
	<b>Foreign</b>									
	a NRIs-Individuals									
	b Other-Individuals									
	c Bodies Corp.									
	d Banks/ FI									
	e Any Other									
	<b>Sub-total (A) (2):-</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>
	<b>Total SH of Promoter &amp; PG (A)=(A)(1)+(A)(2)</b>	<b>6570940</b>	<b>0</b>	<b>6570940</b>	<b>60.84</b>	<b>6570940</b>	<b>0</b>	<b>6570940</b>	<b>60.84</b>	<b>0.00</b>
<b>B</b>	<b>Public Shareholding</b>									
<b>1</b>	<b>Institutions</b>									
	a Mutual Funds									
	b Banks / FI									
	c Central Govt									
	d State Govt(s)									
	e Venture Capital Funds									
	f Ins. Companies									
	g FIs									
	h Venture Capital Funds									
	i Others									
	<b>Sub-total (B) (1):-</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>
<b>2</b>	<b>Non-Institutions</b>									
	a Bodies Corp.									
	i Indian	701785	10	701795	6.50	677663	10	677673	6.27	-0.22
	ii Overseas									
	b Individuals									
	i holding shares upto Rs.2 lakh	1090032	62915	1152947	10.67	1047996	61715	1109711	10.27	-0.40
	ii holding shares above Rs.2 lakh	2356705	0	2356705	21.82	2347029	0	2347029	21.73	-0.09
	NBFC Reg. with RBI	0	0	0	0.00	66311	0	66311	0.61	0.61
	c Any Others	0	0	0	0.00	0	0	0	0.00	0.00
	i Clearing Member	4281	0	4281	0.04	5457	0	5457	0.05	0.01
	ii NRIs	8332	0	8332	0.08	12509	0	12509	0.12	0.04
	iii. NRIs(NR)	6000	0	6000	0.06	11370	0	11370	0.11	0.05
	<b>Sub-total (B) (2):-</b>	<b>4167135</b>	<b>62925</b>	<b>4230060</b>	<b>39.16</b>	<b>4168335</b>	<b>61725</b>	<b>4230060</b>	<b>39.16</b>	<b>0.00</b>
	<b>Total Public SH [(B)=(B)(1)+(B)(2)]</b>	<b>4167135</b>	<b>62925</b>	<b>4230060</b>	<b>39.16</b>	<b>4168335</b>	<b>61725</b>	<b>4230060</b>	<b>39.16</b>	<b>0.00</b>
<b>c</b>	<b>Shares held by Custodian for GDRs &amp; ADRs</b>									
	<b>Grand Total (A+B+C)</b>	<b>10738075</b>	<b>62925</b>	<b>10801000</b>	<b>100.00</b>	<b>10739275</b>	<b>61725</b>	<b>10801000</b>	<b>100.00</b>	<b>0.00</b>



## ii. Shareholding of Promoters

Sl. No.		Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No. of shares	% of total Shares of Co	% of Shares Pledged/ encumbered of total	No. of shares	% of total Shares of Co	% of Shares Pledged/ encumbered of total	
1	KAILASH S. AGARWAL	1917200	17.75	0.00	1917200	17.75	0.00	0.00
2	VASUDEV SUBHKARAN AGARWAL	1745600	16.16	0.00	1745600	16.16	0.00	0.00
3	SUBHKARAN T. AGARWAL	754400	6.98	0.00	754400	6.98	0.00	0.00
4	VASUDEV SUBHKARAN AGARWAL	450800	4.17	0.00	450800	4.17	0.00	0.00
5	KAILASH SUBHKARAN AGARWAL	429400	3.98	0.00	429400	3.98	0.00	0.00
6	ANITA VASUDEV AGARWAL	237600	2.20	0.00	237600	2.20	0.00	0.00
7	SUBHKARAN TILOKCHAND AGARWAL	399700	3.70	0.00	399700	3.70	0.00	0.00
8	PARTH KAILASH AGARWAL	150000	1.39	0.00	150000	1.39	0.00	0.00
9	ANJANA AGARWAL	137420	1.27	0.00	137420	1.27	0.00	0.00
10	AAKRUTI VASUDEV AGARWAL	100000	0.93	0.00	100000	0.93	0.00	0.00
11	AKSHIKA KAILASH AGARWAL	100000	0.93	0.00	100000	0.93	0.00	0.00
12	BIMLADEVI SUBHKARAN AGARWAL	148820	1.38	0.00	148820	1.38	0.00	0.00
	<b>TOTAL</b>	<b>6570940</b>	<b>60.84</b>	<b>0.00</b>	<b>6570940</b>	<b>60.84</b>	<b>0.00</b>	<b>0.00</b>

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

Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of shares	% of total shares	No. of shares	% of total shares
At the beginning of the year				
Date wise Increase / Decrease in Shareholding during the year				
At the End of the year				

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

Sl. No.	Name of the shareholders	Shareholding at the beginning of the year as on 1.4.2016		Change in shareholding during the year		Shareholding at the end of the year as on 31.3.2017	
		No. of shares	% of total shares	No. of shares	% of total shares	No. of shares	% of total shares
1	TANISHA GOPALKRISHNA GOYAL	0.00	0.00	350000	3.24	350000	3.24
2	SUBRAMANIAN P	0	0.00	135590	1.25	135590	1.25
3	VIKSIT ENGINEERING LIMITED	158721	1.47	0	0.00	158721	1.47
4	DEEPINDER SINGH POONIAN	0	0.00	123348	1.14	123348	1.14
5	BANWARILAL SAHARAN	125798	1.16	0	0.00	125798	1.16
6	SHUBHAMANGAL TRADERS PVT LTD	115273	1.07	0	0.00	115273	1.07
7	PARAG RAMESHBHAI GATHANI	0	0.00	120052	1.11	120052	1.11
8	DHARMESH RAMESHBHAI GATHANI	0	0.00	117000	1.08	117000	1.08
9	SOURAV KUMAR AGRAWAL	100000	0.92	0	0.00	100000	0.92
10	KRISHNAKANT BHIMSEN GOYAL	117000	1.08	0	0.00	117000	1.08



## v. Shareholding of Directors and Key Managerial personnel

Sl. No.	Name of the Directors/ KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares	No. of shares	% of total shares
1	<b>Mr. Vasudev Subhakaran Agarwal</b>				
	At the beginning of the year	1745600	16.16	1745600	<b>16.16</b>
	Date wise Increase/ Decrease in Shareholding during the year	0	0	0	0.00
	At the End of the year	—	—	<b>1745600</b>	<b>16.16</b>
2	<b>Mr. Rakesh Agrawal</b>				
	At the beginning of the year	0	0.00	0	0.00
	Date wise Increase/ Decrease in Shareholding during the year	0	0	0	0
	At the End of the year	—	—	<b>0</b>	<b>0.00</b>
3	<b>Mr. Govindprasad Madanchand Goyal</b>				
	At the beginning of the year	0	0.00	0	0.00
	Date wise Increase / Decrease in Shareholding during the year	0	0	0	0
	At the End of the year	—	—	<b>0</b>	<b>0.00</b>
4	<b>Mr. Mahavirprasad Santlal Dalmia</b>				
	At the beginning of the year	0	0.00	0	0.00
	Date wise Increase / Decrease in Shareholding during the year	0	0	0	0
	At the End of the year	—	—	<b>0</b>	<b>0.00</b>
5	<b>Mrs. Pooja Sanjay Sharma</b>				
	At the beginning of the year	0	0.00	0	0.00
	Date wise Increase / Decrease in Shareholding during the year	0	0	0	0
	At the End of the year	—	—	<b>0</b>	<b>0.00</b>
6	<b>Mr. Manoharlal Ishwarram Sharma- CFO</b>				
	At the beginning of the year	0	0.00	0	0.00
	Date wise Increase / Decrease in Shareholding during the year	0	0	0	0
	At the End of the year	—	—	<b>0</b>	<b>0.00</b>





**V. Indebtedness (Amount in Rs.)**

Indebtedness of the Company including interest outstanding/ accrued but not due for payment **Amt. in Rupees**

Particulars	Secured Loan excluding deposits	Unsecured Loan	Deposits*	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	816910737	183828423	0	1000739160
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
<b>Total (i+ii+iii)</b>	<b>816910737</b>	<b>183828423</b>	<b>0</b>	<b>1000739160</b>
<b>Change in Indebtedness during the financial year</b>				
Addition	31926138	149491396	0	181417534
Reduction	28866013	272902188	0	301768201
<b>Net Change Indebtedness</b>	<b>3060125</b>	<b>-123410792</b>	<b>0</b>	<b>-120350667</b>
<b>At the end of the financial year</b>				
i) Principal Amount	819970862	60417631	0	880388493
ii) Interest due but not paid	0	13867095	0	13867095
iii) Interest accrued but not due	0	0	0	0
<b>Total (i+ii+iii)</b>	<b>819970862</b>	<b>74284726</b>	<b>0</b>	<b>894255588</b>

**VI. Remuneration of Directors and Key Managerial Personnel**

**A. Remuneration to Managing Director, Whole-time Directors and/or Manager: (Amount in Rs.)**

Sl.No.	Particulars of Remuneration	Name of the MD/WTD/Manager/Director			Total Amount
		Vasudev S. Agarwal-CMD	Mr.	Mr.	
1	<b>Gross Salary</b>				
a	Salary as per provisions contained in section 17(1) of the Income tax Act, 1961	1800000			<b>1800000</b>
b	Value of perquisites u/s 17(2) Income tax Act, 1961				
c	Profits in lieu of salary under section 17(3) Income tax Act, 1961				
2	Stock Option				
3	Sweat Equity				
4	Commission				
	- as a % of profit				
	others (specify)				
5	Others, please specify: Retirement Benefits				
	<b>Total (A)</b>	<b>1800000</b>			<b>1800000</b>
	<b>Ceiling as per the Act</b>	<b>10% of NP</b>			



## B. Remuneration to other directors:

SI.No.	Particulars of Remuneration	Name of the other Director			Total Amount
		Mr.	Mr.	Mr.	
<b>1</b>	<b>Independent Directors</b>				
	Fee for attending board / committee meetings				
	Commission				
	Others, please specify				
	<b>Total 1</b>				
<b>2</b>	<b>Other Non Executive Directors</b>				
	Fee for attending board / committee meetings				
	Commission				
	Others, please specify				
	<b>Total 2</b>				
	<b>Total (B)=(1+2)</b>				
	<b>Total Managerial Remu.(A+B)</b>				<b>1800000</b>
	<b>Overall Ceiling as per the Act</b>				

## C. Remuneration to key managerial personnel other than MD/Manager/WTD. (Amount in Rs.)

SI.No.	Particulars of Remuneration	Key Managerial Personnel			Total Amount
		Chief Executive Officer (CEO)*	Manharlal Sharma (CFO)	Company Secretary (CS)	
<b>1</b>	<b>Gross Salary</b>				
a	Salary as per provisions contained in section 17(1) of the Income tax Act, 1961		<b>447000</b>		<b>447000</b>
b	Value of perquisites u/s 17(2) Income tax Act, 1961				
c	Profits in lieu of salary under section 17(3) Income tax Act, 1961				
2	Stock Option				
3	Sweat Equity				
4	Commission				
	- as a % of profit				
	others (specify)				
5	Others, please specify: Retirement Benefits				
	<b>Total</b>		<b>447000</b>		<b>447000</b>
	<b>Ceiling as per the Act</b>		<b>NA</b>		<b>NA</b>

\*MD is also CEO



**VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:**

There are no penalties/punishment/compounding of offences against the Company and its Directors and officers for the year ended March 31, 2017.

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

**Place: Ahmedabad**

**Date: 14.08.2017**

**[Vasudev S. Agarwal]**

**DIN:01491403**

**Managing Director**



## ANNEXURE-II

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

**A. CONSERVATION OF ENERGY:**

Energy Conservation Measures Taken

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

**B. RESEARCH & DEVELOPMENT:**

The Company has no specific Research & Development Department. However, the Company has Quality Control Department to check the quality of different product manufactured.

**C. TECHNOLOGY ABSORPTION, ADAPTATION & INNOVATION:**

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

**D. FOREIGN EXCHANGE EARNINGS AND OUTGO:**

[Amount in Rupees]

Foreign Exchange Earnings and Outgo	2016-17	2015-16
a) Foreign Exchange Earnings	110953706	136033169
b) CIF Value of Imports	34331812	Nil
c) Expenditure in Foreign Currency	NIL	NIL

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

PLACE: AHMEDABAD.

DATE: 14.08.2017

[VASUDEV S. AGARWAL]

DIN: 01491403

CHAIRMAN & MD

**Annexure-III****Form MR-3****SECRETARIAL AUDIT REPORT****For the financial year ended March 31, 2017**

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

To the Members,

**ANJANI SYNTHETICS LIMITED**

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

Ahmedabad-380002,

Gujarat, INDIA

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Anjani Synthetics Limited (hereinafter called "the Company")**. Secretarial Audit was conducted in a manner that provided 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, minute books, forms and returns filed and other records maintained by the Company and also information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, the explanations and clarifications given to us and the representations made by the management, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on **31st March, 2017**, generally complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and maintained by the Company for the financial year ended on **31st March, 2017** and made available to us according to the provisions of:

- (i) The Companies Act, 2013 ("the Act") and the rules made thereunder as applicable; except following:
  - a) The Company has not appointed Whole-time Company Secretary as required U/s.203 of the Act during the year however company has appointed Whole-time Company Secretary w.e.f 01.05.2017
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA) and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 as amended from time to time;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 and 2015, as amended from time to time;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (Not applicable to the Company during the audit period);
  - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (Not applicable to the Company during the audit period);
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (Not applicable to the Company during the audit period);
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;



- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (Not applicable to the Company during the audit period); and
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (Not applicable to the Company during the audit period);
- (vi) The other laws, as informed and certified by the management of the Company which are specifically applicable to the Company are:
  - a) Environment Act (Protection), 1986;
  - b) Factories Act ,1948;
  - c) Employees Provident Funds & Misc. Provisions Act; and
  - d) The Employees' State Insurance Act.

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 provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 except following.
  - a) As per Regulation 6 of the SEBI (LODR) Regulations, 2015, the Company has not appointed Company Secretary as the Compliance Officer during the year, however company has appointed whole time company secretary and compliance officer w.e.f 01.05.2017

During the period under review the Company has generally complied with the all material aspects of applicable provisions of the Acts, Rules, Regulations, Guidelines, Standards, etc. mentioned above; subject to the observations noted against each legislation.

**We further report that:**

- a) The Compliance by the Company of applicable financial laws, like direct and indirect tax laws, has not been reviewed in this Audit since the same have been subject to review by statutory financial auditor and other designated professionals.
- b) The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors 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.
- c) Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were generally sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- d) Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

**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.

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

**Place : Ahmedabad**  
**Date : 14.08.2017**

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

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



**ANNEXURE- A**

To the Members,

**ANJANI SYNTHETICS LIMITED**

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

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

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness 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 the 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 the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

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

**Place : Ahmedabad**

**Date : 14.08.2017**

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

**REPORT ON CORPORATE GOVERNANCE****[Pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]**

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

**1. COMPANY’S PHILOSOPHY ON CORPORATE GOVERNANCE**

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

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

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

**2. BOARD OF DIRECTORS:****(A) Composition of the Board:**

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

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

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

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

The category of Directors, their attendance at the Board Meetings for the year 2016-17 and the last Annual General Meeting, the particulars of no. of other Directorships and Committee Memberships held are as follows: (See Table-I).

**(C) Information on Board Directors and Board Meetings:**

The Board Meetings are held at least once in every quarter inter-alia, to review the quarterly results of the Company. The gap between the two Board Meetings does not exceed 120 days. Every Director on the Board is free to suggest any item for inclusion in the agenda for the consideration of the Board. The Board Meetings are generally held at the Registered Office of the Company. All the mandatory items as prescribed in Regulation 17(7) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are placed before the Board of Directors.

During the year under review the Board of Directors met 5 (Five) times on 30.05.2016, 11.08.2016, 12.11.2016, 02.01.2017 and 11.02.2017.

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





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

Management Committee oversees day to day operations of the Company, which consist of Two (2) Executive Directors subject to supervision and control of the Board of Directors. The Management Committees appointed by the Board of Director make decision within the authority delegated. All decisions/ recommendation of the Committees are placed before the Board of Director for information and/or it's its approval.

The Performance evaluation of Independent Directors has been evaluated by the Board of Directors in its Board Meeting held on 11.02.2017 for the financial year 2016-17 pursuant to Regulation 17(10) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**A separate Meeting of Independent Directors** was held on 11.02.2017 to review the performance of Non-Independent Directors and Board of Directors as whole pursuant to Regulation 26(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the terms and conditions of Independent Directors are incorporated on the website of the Company [www.anjanisynthetics.com](http://www.anjanisynthetics.com)

**Attendance record of Directors attending the Board meetings and Annual General Meetings during the year 2016-17:**

Table-I

Name of the Director & (DIN)	Designation/ Category	No. of Board Meetings		Last AGM attendance	No. of other Directorship & Committee Member/ Chairmanship in other Companies		
		Held	Attended		Directorship*	Committee Membership**	Committee Chairmanship**
Vasudev S. Agarwal- CMD (01491403)	Executive Director	5	5	Yes	02	—	—
Mahavirprasad S. Dalmia-Director (02884037)	Non-Executive Independent Director	5	5	Yes	—	—	—
Ajaykumar C. Shah- Director (01787925) §	Non-Executive Independent Director	5	3	No	01	—	—
Pooja S. Sharma- Director (07198180)	Non-Executive Independent Director	5	5	No	—	—	—
Govindprasad Madanchand Goyal- Director (07642571) §	Independent & Non-Executive	5	2	No	—	—	—
Rakesh Agrawal-Director (02748666)	Independent & Non-Executive	5	4	Yes	—	—	—

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

§ Mr. Ajay Shah has resigned w.e.f 12.11.16 and Mr. Govindprasad Goyal has appointed w.e.f 12.11.16



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

None of the Independent Director of the Company is holding position of Independent Director in more than 7 (Seven) Listed Company. Further, none of the Director of the Company is serving as a Whole-time Director in any Listed Company is holding position of Independent Director more than 3 (three) Listed Companies pursuant to Regulation 25(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

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

The details of Shares held by Non-Executive Directors of the Company pursuant to Regulation 26(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as on 31st March, 2017 are as under:

Sr. No	Name of Non-Executive Director	No. of Shares held	% Held
1.	Mr. Rakesh Agrawal	Nil	0.00
2.	Mr. Govindprasad M. Goyal	Nil	0.00
3.	Mrs. Pooja S. Sharma	Nil	0.00

**(F) Code of Conduct:**

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

**(G) CEO/ CFO certification :**

Pursuant to Regulation 17(8) and Regulation 33(2)(a) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, CEO and CFO of the Company have certified to the Board of Directors the financial statement for the financial year ended 31st March, 2017.

**(H) Risk Management**

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

### 3. COMMITTEES OF THE BOARD:

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

**(A) AUDIT COMMITTEE:**

Apart from all the matters provided in 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and section 177 of the Companies Act 2013, the Audit committee reviews reports of the internal auditor, meets statutory auditors as and when required and discusses their findings, suggestions, observations and other related matters. It also reviews major accounting policies followed by the company. The Chief Financial Officer,



representatives of Statutory Auditors, Internal Auditor and Finance & Accounts department are invited to the meetings of the Audit Committee.

**Composition and Attendance:**

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

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

During the year the Audit Committee met 4 times on 30.05.2016, 11.08.2016, 12.11.2016 and 11.02.2017 attendance of the members as under:

Name of the Director	Designation	Category	No. of Meeting attended	
			Held	Attended
Rakesh Agrawal	Chairman (w.e.f. 11.02.17) Member (Upto 12.11.16)	Non-Executive & Independent Director	4	2
Mahavirprasad Dalmia	Chairman (Upto 12.11.16)	Non-Executive & Independent Director	4	3
Ajay C. Shah	Member (Upto 12.11.16)	Non-Executive & Independent Director	4	2
Govindprasad Goyal	Member (w.e.f. 12.11.16)	Non-Executive & Independent Director	4	1
Pooja S. Sharma	Member	Non-Executive & Independent Director	4	4

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

**(B) STAKEHOLDERS' GRIEVANCES AND RELATIONSHIP COMMITTEE:**

**Composition and Attendance**

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

During the year, 4 (four) Shareholder Grievance Committee meetings were held During the year the Audit Committee met 4 times on 30.05.2016, 11.08.2016, 12.11.2016 and 11.02.2017 attendance of the members as under:



Name of the Director	Designation	Category	No. of Meeting attended	
			Held	Attended
Rakesh Agrawal	Chairman (w.e.f. 11.02.17) Member (Upto 12.11.16)	Non-Executive & Independent Director	4	2
Mahavirprasad Dalmia	Chairman (Upto 12.11.16)	Non-Executive & Independent Director	4	3
Ajay C. Shah	Member (Upto 12.11.16)	Non-Executive & Independent Director	4	2
Govindprasad Goyal	Member (w.e.f. 12.11.16)	Non-Executive & Independent Director	4	1
Pooja S. Sharma	Member	Non-Executive & Independent Director	4	4

#### Terms of reference and complains:

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

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

- 1) Name of Non-executive Director heading the Committee: Mr. Rakesh Agarwal.
- 2) Number of shareholders' complaints received: During the year 2016-17, the Company received complaints: Nil
- 3) Number not solved to the satisfaction of shareholders: Nil
- 4) Number of pending share transfers: Nil
- 5) During the year the Committee met: 4 times.

#### (C) NOMINATION AND REMUNERATION COMMITTEE:

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

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

During the financial year, 3 (three) Nomination and Remuneration Committee Meetings were held as on 30.05.2016 and 11.08.2016, 12.11.2016. The Committee reviews the information as listed under Regulation 19(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as well as under Section 178 of the Companies Act, 2013.



Name of the Director	Designation	Category	No. of Meeting attended	
			Held	Attended
Mahavirprasad Dalmia	Chairman (Upto 12.11.16)	Non-Executive & Independent Director	3	3
Ajay C. Shah	Member (Upto 12.11.16)	Non-Executive & Independent Director	3	2
Rakesh Agrawal	Chairman (w.e.f. 11.02.17) Member (Upto 12.11.16)	Non-Executive & Independent Director	3	1
Govindprasad Goyal	Member (w.e.f. 12.11.16)	Non-Executive & Independent Director	3	0
Pooja S. Sharma	Member	Non-Executive & Independent Director	3	3

#### 4. REMUNERATION OF DIRECTORS

##### (a) Remuneration Policy:

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

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

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

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

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

##### (b) Disclosures with respect to Remuneration

The aggregate value of salary, perquisites, commissions, Performance incentive & Sitting fees paid for the year 2016-2017 to all the Directors are as follows.

(Rs.In Lacs)

Name of Director	Status Category	Sitting Fees					Remuneration Fixed Salary	Total
		BM	AC	SGRC	NRC	IDM		
Vasudev S. Agarwal	ED	-	-	-	-	-	18.00	18.00
Mahavirprasad Dalmia	ED	-	-	-	-	-	-	-
Ajaybhai C. Shah *	ID&NED	-	-	-	-	-	-	-
Rakesh Agarwal	ID&NED	-	-	-	-	-	-	-
Govindprasad M. Goyal	ID&NED	-	-	-	-	-	-	-
Pooja Sharma	ID&NED	-	-	-	-	-	-	-
<b>Total</b>								

\* Mr.Ajay Shah has resigned w.e.f 12.11.16 & Mr. Govindprasad Goyal has appointed w.e.f 12.11.16.



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

Fixed Salary includes Salary, Perks & Retirement Benefits.

## 5. INFORMATION ABOUT GENERAL BODY MEETINGS

### A. Annual General Meetings/Extra-Ordinary General Meetings

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

Financial Year	AGM	Location/ Place of Meeting	Date	Time a.m./ p.m.
2015-16	32 <sup>nd</sup>	Plot No.140, Saijpur Gopalpur, Pirana Road, Piplej, Ahmedabad-382405	27.09.2016	11.00 A.M.
2014-15	31 <sup>st</sup>	Plot No.140, Saijpur Gopalpur, Pirana Road, Piplej, Ahmedabad-382405	29.09.2015	11.00 A.M.
2013-14	30 <sup>th</sup>	Plot No.140, Saijpur Gopalpur, Pirana Road, Piplej, Ahmedabad-382405	30.09.2014	11.00 A.M.

No Extra-Ordinary General Meeting was held during the financial year 2016-17.

### B. Special Resolution

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

FY (AGM/EGM)	Particulars	Date
2015-16 (AGM)	Maintaining & keeping the Company's Registers required to be maintained U/s.88 of the Companies Act,2013 & copies of annual returns filed under Section 92 of the Companies Act,2013 or any one or more of them, at a place other than the Company's Registered Office	27.09.2016
2014-15 (AGM)	1. To adopt new set of Articles of Association containing Articles in conformity with the Companies Act, 2013	29.09.2015
	2. To Borrow money in excess of Paid-up Capital & Free Reserves of the Company	
	3. To create mortgage/ charge on assets of the Company upto borrowing limit	
2013-14 (AGM)	1. To Borrow money in excess of Paid-up Capital & Free Reserves of the Company	30.09.2014
	2. To create mortgage/ charge on assets of the Company upto borrowing limit	
	3. To give authority for related party transaction	
	4. To give authority to give loan and make investments	

### C. Postal Ballot:

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

## 6. MEANS OF COMMUNICATION

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

a) **Financial Results for the Quarter ended:**

30th June, 2016	45 days from end of Quarter 30th June, 2016
30th September, 2016	45 days from end of Quarter 30th September, 2016
31st December, 2016	45 days from end of Quarter 31st December, 2016
Audited Results for the year ended on 31st March, 2017	60 days from end of Financial Year (i.e. on or before 30th May, 2017) (As per Regulation 33 of The SEBI (LODR) Regulations, 2015)

b) **SEBI Complaints Redress System (Scores):**

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

c) **BSE Listing Centre:**

The new electronic system introduced by BSE Limited for submission of Quarterly/ Half Yearly/ yearly compliance like Shareholding Pattern, Corporate Governance Report, Board Meeting intimation of the Company and other corporate announcements in e-mode. BSE Listing Centre is web based application designed by the BSE Limited for Corporates.

7. **GENERAL INFORMATION FOR SHAREHOLDERS**

Date of Incorporation of the Company	28th day of June, 1984
Financial year	01.04.2016 to 31.03.2017
Day, date and time of AGM	Friday, 29th September, 2017 at 11.00 a.m.
Venue of Annual General Meeting	Plot No.140, Saijpur, Gopalpur, Pirana Road, Piplej, Ahmedabad-382405, Gujarat, INDIA
Dates of Book Closure	22.09.2017 to 29.09.2017 (both days inclusive)
Cut off Date for Evoting	22.09.2017

a) **LISTING ON STOCK EXCHANGE/S**

The Shares of the Company are listed at **BSE Limited**.

b) **STOCK CODE AND ISIN NO.**

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



## c) STOCK MARKET DATA

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

Month	High Price (Rs)	Low Price (Rs)
April, 2016	27.00	20.00
May, 2016	22.55	19.35
June, 2016	25.00	17.60
July, 2016	27.00	20.25
August, 2016	25.10	21.66
September, 2016	29.85	21.65
October, 2016	33.50	23.00
November, 2016	31.00	21.60
December, 2016	31.00	25.00
January, 2017	34.05	25.00
February, 2017	29.50	25.00
March, 2017	31.75	25.00

## d) SHAREHOLDING PROFILE:

Mode of Holding	As on 31st March, 2017			As on 31st March, 2016		
	No. of holders	No. of Shares	% to Equity	No. of holders	No. of Shares	% to Equity
Demat	2034	10739275	99.43	2164	10738075	99.42
Physical	59	61725	0.57	60	62925	0.58
<b>Total</b>	<b>2093</b>	<b>10801000</b>	<b>100.00</b>	<b>2224</b>	<b>10801000</b>	<b>100.00</b>

## e) SHAREHOLDING PATTERN (AS OF 31ST MARCH 2017)

Sr.No.	Categories	No. of shares	% of total holding
<b>A</b>	<b>Promoters Holding</b>		
	<b>Promoter &amp; Promoter Group</b>		
	Indian	6570940	60.84
	Foreign	-	-
<b>B</b>	<b>Non-Promoter Holding</b>		
	<b>Institutional :</b>		
	Mutual Fund	-	-
	<b>Non-Institutional :</b>		
	Bodies Corporate	677673	6.27
	<b>Individuals :</b>		
	Capital upto Rs.2 Lacs	1109711	10.27
	Capital greater than Rs.2 Lacs	2347029	21.73
	<b>Any Others :</b>		
	Clearing Member	5457	0.05
	NRIs	23879	0.23
	<b>Total</b>	<b>10801000</b>	<b>100.00</b>



**f) DISTRIBUTION OF SHAREHOLDING AS ON 31.03.2017**

Share Balance	Holders	% of Total	Total Shares	% of Total
Upto 1- 5000	1622	77.50	2166560	2.01
5001- 10000	193	09.22	1617700	1.49
10001- 20000	94	04.50	1471820	1.36
20001- 30000	44	02.10	1143520	1.05
30001- 40000	25	01.19	899140	0.83
40001- 50000	16	00.76	769220	0.71
50001- 100000	26	01.24	1738700	1.60
100001- 999999999	73	03.48	98203340	90.92
<b>TOTAL</b>	<b>2093</b>	<b>100.00</b>	<b>10801000</b>	<b>100.00</b>

**g) REGISTRAR AND SHARE TRANSFER AGENT (RTA)**

The Company has changed RTA from M/s. Sharepro Services (I) Pvt. Ltd. to M/s. Bigshare Services Private Limited w.e.f. 15.06.2016; hence Members are requested to correspond with the Company's new Registrar and Transfer Agents for all matters related to share transfers, dematerialization, complaints for non-receipt of refund order/dividends etc. at the following address:

**M/s. Bigshare Services Private Limited**

A-802 Samudra Complex,  
Near Klassic Gold Hotel, Off. C. G. Road, Ahmedabad-380009, Gujarat, INDIA  
Phone No.: 079-40024135  
Email: [bssahd@bigshareonline.com](mailto:bssahd@bigshareonline.com)  
Website: [www.bigshareonline.com](http://www.bigshareonline.com)

**h) Investors Communication and Investors Complaints to be address to:**

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

**M/s. Bigshare Services Private Limited**

A-802 Samudra Complex,  
Near Klassic Gold Hotel, Off. C G Road, Ahmedabad-380009, Gujarat  
Ph. No.: 079-40024135  
Email: [bssahd@bigshareonline.com](mailto:bssahd@bigshareonline.com)  
Website: [www.bigshareonline.com](http://www.bigshareonline.com)

**For other inquiry write to Company:**

Mr. Vasudev Agarwal- Managing Director  
Registered Office: 221, (Maliya) New Cloth Maerket O/s. Raipur Gate,  
Ahmedabad-380002, Gujarat, INDIA  
Phone No.: 079- 22173181  
E-mail: [info@anjanisynthetics.com](mailto:info@anjanisynthetics.com)  
E-mail: [investor@anjanisynthetics.com](mailto:investor@anjanisynthetics.com)

**i) SHARE TRANSFER SYSTEMS**

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



transfer instrument being valid and complete in all respects.

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

**j) RECOMMENDATION TO GET THE SHARES DEMATERIALIZED**

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

**k) Registration of Email-ID for receipt of Notices of General Meetings, Annual Report, etc. in e-Form**

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

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

**l) Outstanding GDRs/ADRs/Warrants/Options or any Convertible Instruments**

The Company has no outstanding GDRs/ADRs/Warrants/Options or any convertible instruments as on 31st March 2017.

**m) Proceeds from Public Issue/Rights Issue/Preferential Issue/Warrant Conversion**

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

**n) Code of Conduct for prevention of Insider Trading**

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

**o) Disclosure of accounting treatment in preparation of Financial Statement**

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

**8. OTHER DISCLOSURES**

**A. Related Party Transaction**

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



financial statements as per the requirement of "Accounting Standards -18- Related Party Disclosure issued by ICAI.

The Board has approved a policy for related party transactions which has been uploaded on Company's website [www.anjanisynthetic.com](http://www.anjanisynthetic.com)

**B. Management Discussion and Analysis**

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

**C. Details of non-compliance by the Company**

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

**D. Vigil Mechanism**

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

**E. Policy on Material Subsidiaries**

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

**F. Policy on Related Party Transactions**

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

**9. Non-Mandatory Requirements**

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

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

PLACE: AHMEDABAD.

DATE: 14.08.2017

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



## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Your Directors have pleasure in presenting the management discussion and analysis report for the year ended on March 31, 2017.

### 1. INDUSTRY STRUCTURE, DEVELOPMENT:

During the period under the review, the Company had been operating in Textile activities i.e. cloth processing.

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

### 2. OPPORTUNITIES & THREATS:

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

### 3. SEGMENT-WISE PERFORMANCE:

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

### 4. OUTLOOK:

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

### 5. RISK & CONCERNS:

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

### 6. INTERNAL CONTROL SYSTEMS & THEIR ADEQUACY:

The Company's operating and business control procedures ensure efficient use of resources and comply with the procedures and regulatory requirements. There are adequate internal controls to safeguard the assets and protect them against losses from unauthorized use or disposition and the transactions are authorized, recorded and reported correctly.

The Audit Committee periodically reviews the internal controls systems and reports their observations to the Board of Directors.

The Directors have appointed M/s. Kamal M. Shah & Co, Chartered Accountants as the Internal Auditors of the Company for the FY 17-18.

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

During the year, the Company has recorded a turnover of Rs.37110.98 Lacs as compared to Rs.39568.78 Lacs in the previous year. The Company has made net profit of Rs.306.21 Lacs as compared to Rs. 373.72 Lacs of the previous year after providing depreciation, tax, etc. for the year ended 31st March, 2017.

**8. HUMAN RESOURCE DEVELOPMENT:**

The Company believes that the human resources are vital in giving the Company a Competitive edge in the current business environment. The Company's philosophy is to provide congenial work environment, performance oriented work culture, knowledge acquisition / dissemination, creativity and responsibility. As in the past, the Company has enjoyed cordial relations with the employees at all levels.

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

**9. CAUTIONERY STATEMENT:**

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

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

**PLACE: AHMEDABAD.**

**DATE: 14.08.2017**

**[VASUDEV S. AGARWAL]**

**DIN: 01491403**

**CHAIRMAN & MD**

**CERTIFICATION BY CEO AND CFO OF THE COMPANY**

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

- a) We have reviewed the financial statements and cash flow statement for the financial year ended 31st March, 2017 to the best of our knowledge and belief:
  - I. These statements do not contain any materially untrue statements or omit any material facts or contain statements that might be misleading.
  - II. These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b) To the best of our knowledge and belief, no transactions entered into by the Company during the financial year 2016-17, which are fraudulent, illegal or violate the Company's Code of Conduct.
- c) We accept responsibility for establishing and maintaining internal controls for financial reporting and have evaluated the effectiveness of the internal control systems of the Company for such reporting. We have disclosed to the Auditors and the Audit Committee, deficiencies, if any, in the design or operation of such internal controls, of which we are aware of and the steps taken and/or proposed to be taken to rectify these deficiencies.
- d)
  - i) Significant changes in internal control over financial reporting during the year.
  - ii) Significant change in accounting policies during the year requiring disclosure in the notes to the financial statements.
  - iii) We are not aware of any instance during the year of significant fraud with involvement therein of the management or any employee having a significant role in the Company's internal control system over financial reporting.

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**[VASUDEV S. AGARWAL]**

**Chairman & Managing Director**

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**[MANOHARLAL I. SHARMA]**

**Chief Financial Officer**

**Place: Ahmedabad**

**Date : 14.08.2017**

**AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE**

To the members of Anjani Synthetics Limited

We have examined the compliance of conditions of Corporate Governance by Anjani Synthetics Limited for the year ended 31st March, 2017 as per the relevant provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as referred to in Regulation 15(2) of the Listing Regulations for the period from 01.04.2016 to 31.03.2017.

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

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

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

**For, NAHTA JAIN & ASSOCIATES**  
**Chartered Accountants**  
**FRN: 106801W**

**PLACE: AHMEDABAD**  
**DATE: 14.08.2017**

**[CA I.C. NAHTA]**  
**PARTNER**  
**M. No.: 070023**



## Independent Auditor's Report

To the Members of

**M/S. ANJANI SYNTHETICS LIMITED**

### Report on the Standalone Financial Statements

We have audited the accompanying these standalone financial statements of **ANJANI SYNTHETICS LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2017, the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

### Management's Responsibility for the Sandalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities, selection and application of appropriate accounting policies; making judgements and estimates that are responsible and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

Our responsibility is to express an opinion on these these standalone financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the these standalone financial statements.

### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid these standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2017 and its profit and its cash flows for the year ended on that date.



**Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure A, statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by section 143(3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
  - b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
  - c) The balance sheet, the statement of profit and loss and the cash flow Statement dealt with by this Report are in agreement with the books of account;
  - d) In our opinion, the aforesaid these standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the companies (Accounts) Rules, 2014;
  - e) On the basis of written representations received from the directors as on March 31, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017 from being appointed as a director in terms of Section 164 (2) of the Act; and
  - f) With respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls, refer to our separate report in "Annexure-B" and
  - g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i) The Company does not have any pending litigations for which provision have not been made which would impact its financial position.
    - ii) The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any.
    - iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
    - iv) The Company has provided requisite disclosures in its standalone financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8 November, 2016 to 30 December, 2016 and these are in accordance with the books of accounts maintained by the Company. Refer Note 36 to the standalone financial statements.

**As per our Report of Even Date  
For and on Behalf of  
For, Nahta Jain & Associates  
Chartered Accountants  
Firm Regn. No. 106801W**

**Place : Ahmedabad**

**Date : 30/05/2017**

**(CA. I. C. NAHTA)**

**Partner**

**M. No. 070023**



## Annexure to the Independent Auditor's Report

The Annexure referred to in our Independent Auditor's Report to the members of the Company on the financial statements for the year ended 31 March 2017, we report that;

- (i) In respect of Fixed Assets:
  - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
  - (b) As per the information and explanations given to us, all the assets have not been physically verified by the management during the year but there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the company and the nature of its assets. No material discrepancies were noticed on such verification.
  - (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- (ii) In respect of Inventory:
  - (a) As explained to us, inventories have been physically verified during the year by the management at reasonable intervals. In our opinion, the frequency of verification is reasonable. As informed to us there were no material discrepancies noticed on verification between the physical stocks and the book records and any discrepancies found has been properly dealt within the books of accounts.
- (iii) In respect of the loans, secured or unsecured, granted by the company to companies, firms or other parties covered in the register maintained u/s. 189 of the Companies Act, 2013 :
  - (a) During the year under audit, the Company has not granted any loans, secured or unsecured, to the companies, firms and other parties covered in the register maintained under section 189 of the Companies Act, 2013 hence clause 3 (iii) (a), (iii) (b) and (iii) (c) of the Companies (Auditor's Report) Order, 2016 are not applicable.
- iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans and investments made.
- v) According to the information and explanation given to us, the company has not accepted any deposit from the public during the year. Therefore the provisions of clause (v) of paragraph 3 of the order are not applicable to the company.
- vi) The central government has prescribed maintenance of cost records under section 148(1)(d) of the companies act 2013 in respect of certain manufacturing activities of the company. Company has obtained cost audit report for the financial year 2015-16 during the year. We have broadly reviewed the accounts and records of the company in this connection and are of the opinion, that prima facie, the prescribed accounts and records have been made and maintained. We have not, however carried out detailed examination of the same.
- vii) (a) The company is generally regular in depositing the undisputed statutory dues including Provident Fund, Employees State Insurance, Income Tax, Wealth Tax, Sales Tax, Custom Duty, Excise Duty, Service Tax, Value Added Tax, Cess and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of afore mentioned dues were outstanding as at 31<sup>st</sup> March 2017 for a period of more than six months from the date they became payable.
  - (b) According to the information and explanations given to us, details of statutory dues that have not been deposited on account of dispute and the matters pending before appellate authority are as under:



<b>Sr. No.</b>	<b>Name of the Statute</b>	<b>Nature of Dues</b>	<b>Amount</b>	<b>Forum Where dispute is pending</b>	<b>Remark</b>
1.	Income Tax Act, 1961	Income Tax for the A.Y. 2011-12	432900/-	ITAT Ahmedabad	_____

- (viii) In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of dues to financial institutions or banks. As there are no debentures, the question of repayment does not arise.
- (ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and in our opinion and according to the information and explanations given to us, the Term loans have been applied for the purpose for which they were obtained.
- (x) According to the information and explanation given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- (xi) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

**As per our Report of Even Date  
For and on Behalf of  
For, Nahta Jain & Associates  
Chartered Accountants  
Firm Regn. No. 106801W**

**Place : Ahmedabad  
Date : 30/05/2017**

**(CA. I. C. NAHTA)  
Partner  
M.No. 070023**



## 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 **M/S. ANJANI SYNTHETICS LIMITED** ("the Company"), as of 31 March, 2017, in conjunction with our audit of the standalone financial statements of the Company for the year ended that date.

#### Management's Responsibility for Internal Financial Controls

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

#### Auditor's Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding 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 Company's internal financial controls system over financial reporting.

#### Meaning of Internal Financial Controls over Financial Reporting

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

**Inherent Limitations of Internal Financial Controls Over Financial Reporting**

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

**Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**As per our Report of Even Date  
For and on Behalf of  
For, Nahta Jain & Associates  
Chartered Accountants  
Firm Regn. No. 106801W**

**Place : Ahmedabad**

**Date : 30/05/2017**

**(CA. I. C. NAHTA)**

**Partner**

**M.No. 070023**



## BALANCE SHEET AS ON 31ST MARCH, 2017

Particulars	Note No.	As on 31 <sup>st</sup> March, 2017 Amt. in Rs.	As on 31 <sup>st</sup> March, 2016 Amt. in Rs.
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' funds</b>			
(a) Share capital	1	108,010,000	108,010,000
(b) Reserves and surplus	2	350,023,248	319,402,045
(c) Money received against share warrants		-	-
		<b>458,033,248</b>	<b>427,412,045</b>
<b>Share application money pending allotment</b>		-	-
<b>Non-current liabilities</b>			
(a) Long-term borrowings	3	73,179,246	96,924,270
(b) Deferred tax liabilities (net)		3,892,168	3,340,857
(c) Other long-term Borrowings	4	74,284,726	183,828,423
(d) Long-term provisions		151,356,140	284,093,550
<b>Current liabilities</b>			
(a) Short-term borrowings	5	717,100,564	693,299,425
(b) Trade payables	6	355,759,166	418,179,968
(c) Other current liabilities	7	254,838,151	264,330,635
(d) Short-term provisions	8	21,291,152	14,553,699
		<u>1,348,989,033</u>	<u>1,390,363,727</u>
<b>TOTAL</b>		<b><u>1,958,378,421</u></b>	<b><u>2,101,869,322</u></b>
<b>ASSETS</b>			
<b>Non-current assets</b>			
(a) Fixed assets			
(i) Tangible assets	9	255,574,021	301,239,298
(ii) Intangible assets			
(iii) Capital work-in-progress		3,036,570	-
(iv) Intangible assets under development		-	-
(v) Fixed assets held for sale		-	-
		<u>258,610,591</u>	<u>301,239,298</u>
(b) Non-current investments	10	14,140,000	14,140,000
(c) Deferred tax assets (net)		-	-
(d) Long-term loans and advances	11	84,478	84,478
(e) Other non-current assets		-	-
		<u>272,835,069</u>	<u>315,463,776</u>
<b>Current assets</b>			
(a) Current investments		-	-
(b) Inventories	12	545,233,156	527,553,587
(c) Trade receivables	13	1,054,049,392	1,112,076,956
(d) Cash and cash equivalents	14	3,718,852	10,346,671
(e) Short-term loans and advances	15	82,244,963	135,921,642
(f) Other current assets	16	296,989	506,690
		<u>1,685,543,352</u>	<u>1,786,405,546</u>
<b>TOTAL</b>		<b><u>1,958,378,421</u></b>	<b><u>2,101,869,322</u></b>

## See accompanying notes forming part of the financial statements &amp; Significant Accounting Policies.

As per our report of even date  
**For Nahta Jain & Associates**  
Chartered Accountants  
Firm Regn. No. 106801 W

**(CA. I. C Nahta)**  
Partner

M.No. 070023

Place : Ahmedabad  
Date : 30/05/2017

For and on behalf of the Board of Directors  
**Anjani Synthetics Ltd.**

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

**(Manoharlal Sharma)**  
(C.F.O.)

**Mahavirprasad Dalmia**  
(Director)  
(DIN-02884037)

**(Rushabh M. Shah) (C.S.)**  
M. No. A 49197

Place : Ahmedabad  
Date : 30/05/2017



## Statement of Profit &amp; Loss For the year ended 31st March, 2017

Particulars	Note No.	For the year ended 31st March, 2017 (Rs)	For the year ended 31st March, 2016 (Rs).
<b>CONTINUING OPERATIONS</b>			
Revenue from operations (Gross)	17	3,708,181,455	3,953,719,804
Less: Excise duty			
Revenue from operations (Net)		3,708,181,455	3,953,719,804
Other income	18	2,917,172	3,158,320
<b>Total revenue</b>		<b>3,711,098,627</b>	<b>3,956,878,124</b>
<b>Expenses</b>			
(a) Cost of materials consumed	19	2,526,835,591	2,663,314,642
(b) Purchases of stock-in-trade	20	1,025,627	599,655
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	21	108,362,559	-35,915,565
(d) Employee benefits expense	22	51,367,316	45,107,953
(e) Finance costs	23	84,044,348	103,953,010
(f) Depreciation and amortisation expense	9	60,216,257	41,823,052
(g) Other expenses	24	829,958,124	1,088,555,005
<b>Total expenses</b>		<b>3,661,809,822</b>	<b>3,907,437,752</b>
<b>Profit / (Loss) before exceptional and extraordinary items and tax</b>		<b>49,288,805</b>	<b>49,440,372</b>
Exceptional items			
Extraordinary items			
<b>Profit / (Loss) before tax</b>		<b>49,288,805</b>	<b>49,440,372</b>
<b>Tax expense:</b>			
(a) Current tax expense		16,600,000	8,900,000
(b) Deferred tax		551,311	3,340,857
(c) Prior Period Adjustment		1,516,291	-172,174
<b>Profit / (Loss) for the year</b>		<b>30,621,203</b>	<b>37,371,689</b>
<b>Earnings per equity share of face value of Rs. 10/- each (Previous year Rs. 10/-)</b>			
Basic and diluted (in Rs.)		2.84	3.46

See accompanying notes forming part of the financial statements & Significant Accounting Policies.

As per our report of even date  
**For Nahta Jain & Associates**  
Chartered Accountants  
Firm Regn. No. 106801 W

**(CA. I. C Nahta)**  
Partner  
M.No. 070023

Place : Ahmedabad  
Date : 30/05/2017

For and on behalf of the Board of Directors  
**Anjani Synthetics Ltd.**

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

**(Manoharlal Sharma)**  
(C.F.O.)

**Mahavirprasad Dalmia**  
(Director)  
(DIN-02884037)

**(Rushabh M. Shah) (C.S.)**  
M. No. A 49197  
Place : Ahmedabad  
Date : 30/05/2017



## Notes on Financial Statements for the Year ended 31<sup>st</sup> March, 2017

1 Share Capital	31 <sup>st</sup> March 2017		31 <sup>st</sup> March 2016	
Authorised Share Capital 1,50,00,000 (Prev. Yr. 1,50,00,000) Equity Shares of Rs. 10/- each (Prev. Yr. Rs. 10/- each)	150,000,000		150,000,000	
<b>Issued, Subscribed and fully paid up shares</b>				
10,801,000 (P.Y. 10,801,000) Equity Shares of Rs. 10/- each Subscribed and fully paid up shares (Prev. Yr. Rs.10/- each)	108,010,000		108,010,000	
	<u>108,010,000</u>		<u>108,010,000</u>	
<b>a. Reconciliation of the shares outstanding at the beginning and at the end of the reporting period</b>				
<b>Equity Shares</b>	31 <sup>st</sup> March 2017		31 <sup>st</sup> March 2016	
	No.	Rs.	No.	Rs.
At the beginning of the period	10,801,000	108,010,000	10,801,000	108,010,000
Issued during the period				
Outstanding at the end of the period	<u>10,801,000</u>	<u>108,010,000</u>	<u>10,801,000</u>	<u>108,010,000</u>
<b>b. Terms/rights attached to equity shares</b>				
The company has only one class of equity shares having par value of Rs. 10/- (Previous year Rs. 10/-) per share. Each holder of equity shares is entitled to one vote per share.				
<b>c. Details of share holders holding more than 5% shares in the company.</b>				
	31 <sup>st</sup> March 2017		31 <sup>st</sup> March 2016	
	No.	% of holding	No.	% of holding
Kailash S. Agarwal	1,917,200	17.75	1,917,200	17.75
Vasudev S. Agarwal	1,745,600	16.16	1,745,600	16.16
Subhkaran T. Agarwal	754,400	6.98	754,400	6.98
Others	6,383,800	59.10	6,383,800	59.10
<b>Total</b>	<b><u>10,801,000</u></b>	<b><u>100.00</u></b>	<b><u>10,801,000</u></b>	<b><u>100.00</u></b>
As per records of the company, including its register of share holders/members and other declaration received from the share holders regarding beneficial interest, the above share holding represents both legal and beneficial ownership of shares.				
<b>2 Reserves &amp; Surplus</b>	31 <sup>st</sup> March 2017		31 <sup>st</sup> March 2016	
<b>Capital Reserve</b>				
Balance as per last financial statement	9,119,000		9,119,000	
<b>Closing Balance</b>	<u>9,119,000</u>		<u>9,119,000</u>	
<b>Profit &amp; Loss A/c</b>				
Balance as per last financial statement	310,283,045		272,911,356	
Profit for the year	30,621,203		37,371,688	
<b>Closing Balance</b>	<u>340,904,248</u>		<u>310,283,044</u>	
<b>Total Reserves &amp; Surplus</b>	<u>350,023,248</u>		<u>319,402,045</u>	





<b>3 Long-term Borrowing</b>	<b>31<sup>st</sup> March 2017</b>	<b>31<sup>st</sup> March 2016</b>
<b>Secured</b>		
a) Term Loan for machines from Punjab National Bank	92,914,844	117,173,312
b) Vehicles Loan	9,955,454	6,438,000
	<u>102,870,298</u>	<u>123,611,312</u>
Less: Current Maturity of Term Loans	29,691,052	26,687,042
	<u>73,179,246</u>	<u>96,924,270</u>
1 Term loan from Punjab National Bank are secured against hypothecation of Plant & Machinery and other fixed assets of the company. The loans are further secured by mortgage of certain land, office building, residential premises owned by Directors or their relatives.		
2 Installments falling due in respect of all the above term loans upto 31.03.2018 have been grouped under "Current maturities of long term borrowings." (refer Note 7)		
<b>4 Other Long-term Borrowing</b>	<b>31 March 2017</b>	<b>31 March 2016</b>
<b>Loan From Directors, Family Member &amp; Relatives</b>	63,284,726	130,198,325
<b>Loan From Corporate Bodies</b>	11,000,000	53,630,098
	<u>74,284,726</u>	<u>183,828,423</u>
<b>5 Short-term Borrowing</b>	<b>31 March 2017</b>	<b>31 March 2016</b>
<b>Secured</b>		
a. Cash Credit Facility from Punjab National Bank	670,997,826	607,692,823
b. Packing Credit Facility from Punjab National Bank	46,102,738	85,606,602
	<u>717,100,564</u>	<u>693,299,425</u>
1 Working capital facilities under the name cash credit, packing credit etc. are secured against hypothecation of all current assets including stock of raw material, stock in process, finished goods, stores & spares, book debt etc. The facilities are further secured by mortgaged of certain immovable properties owned by Directors and their relatives.		
	<b>31 March 2017</b>	<b>31 March 2016</b>
<b>6 Trade Payable</b>		
Payables for Goods	355,759,166	418,179,968
	<u>355,759,166</u>	<u>418,179,968</u>
<b>7 Other Current Liabilities</b>	<b>31 March 2017</b>	<b>31 March 2016</b>
Current Maturities of Long term Borrowing	29,691,052	26,687,042
Statutory Dues	3,802,483	5,460,757
Payables for Purchase of Fixed Assets	342,303	6,339,274
Payables for expenses	221,002,313	225,843,562
	<u>254,838,151</u>	<u>264,330,635</u>
<b>8 Short Term Provisions</b>	<b>31 March 2017</b>	<b>31 March 2016</b>
Provision for Income Tax	16,600,000	8,900,000
Other Provisions	4,691,152	5,653,699
	<u>21,291,152</u>	<u>14,553,699</u>



## 9. FIXED ASSETS - 2016-2017

Sr. No.	Name of the Assets	GROSS BLOCK				DEPRECIATION				NET BLOCK	
		As on 01/04/2016	Addition	Deduction	Total as on 31/03/2017	As on 01/04/2016	Addition	Deduction	Total as on 31/03/2017	As on 31/03/2017	As on 31/03/2016
1	Factory Building	121963142	7550855		129513997	60466024	6302771		66768795	62745202	61497118
2	Cars	22020751	9085387	5972608	25133530	12360832	4410332	3447685	13323479	11810051	9659919
3	Computer	6210977	355894		6566871	5691516	396972		6088488	478383	519461
4	Effluent Treatment Plant	6693541	0		6693541	6078305	94006		6172311	521230	615236
5	Furniture	12281895	0		12281895	10365496	518269		10883765	1398130	1916399
6	Cycle	29780	0		29780	29780	0		29780	0	0
7	Electric Installation	5097875	0		5097875	4900390	11585		4911975	185900	197485
8	Air Conditioner	2838892	0		2838892	2241717	127650		2369367	469525	597175
9	Plant & Machinery	449591142	9211929	14124162	44678909	234242288	46005410	4852341	275395357	169283552	215348854
10	Tube well	3482302	0		3482302	3214026	65351		3279377	202925	268276
11	Truck & Tempo & Tractor	3661441	0		3661441	2211009	433360		2644369	1017072	1450432
12	Scooter & Motor Cycle	828575	47192	437856	437911	661111	51451	409643	302919	134992	167464
13	Office Equipment	2647345	124680		2772025	2336834	119751		2456585	315440	310511
14	Road	2184278	0		2184278	1190856	270481		1461337	722941	993422
15	CCTV Camera	206120	0		206120	168007	17673		185680	20440	38113
16	Zerex	482358	0		482358	439060	12701		451761	30597	43298
17	Megha Pipe Line	11400000	0		11400000	3783865	1378494		5162359	6237641	7616135
	Total (A)	651620414	26375937	20534626	657461725	350381116	60216257	8709669	401887704	255574021	301239298
	Work-in-Progress										
1	Plant & Machinery	0	3036570	0	3036570	0	0	0	0	3036570	0
	Total (B)	0	3036570	0	3036570	0	0	0	0	3036570	0
	Total (A+B)	651620414	29412507	20534626	660498295	350381116	60216257	8709669	401887704	258610591	301239298
	Total Previous Year:-	446212207	215284297	14478977	651620414	317999901	41823052	9441837	350381116	301239298	128212306



	31 March 2017	31 March 2016
<b>10 Non Current Investment</b>		
<b>Non Trade Investment</b>		
<b>Investment in Equity Shares</b>		
<b>Un Quoted</b>		
131250 (Prev. year 131250) Equity Shares of Virat Spinners Pvt.Ltd.	12,500,000	12,500,000
49000 (Prev. year 49000) Equity Shares of @10/- each Parth International Pvt.Ltd	490,000	490,000
115000 (Prev. year 115000) Equity Shares of @10/-each Mukund Fashion Pvt.Ltd.	1,150,000	1,150,000
	<u>14,140,000</u>	<u>14,140,000</u>
Aggregate value of Unquoted investment	14,140,000	14,140,000
<b>11 Long term Loans &amp; Advances</b>	<b>31 March 2017</b>	<b>31 March 2016</b>
Deposits	84,478	84,478
	<u>84,478</u>	<u>84,478</u>
<b>12 Inventories</b>	<b>31 March 2017</b>	<b>31 March 2016</b>
Raw Material Grey Cloth	221,413,126	105,544,354
Work in Progress Own	120,688,844	138,265,131
Work in Progress Job	4,564,877	3,012,833
Finished Goods	165,720,506	259,084,495
Colour Chemicals	16,696,573	12,255,898
Yarn	1,762,487	736,814
Packing Materials	860,499	1,248,049
Stores & Spares	11,885,703	6,890,548
Coal & Fire Wood	1,640,541	515,465
	<u>545,233,156</u>	<u>527,553,587</u>
<b>13 Trade Receivables</b>	<b>31 March 2017</b>	<b>31 March 2016</b>
(Unsecured considered good)		
a. Trade receivables outstanding for a period exceeding six months from the date they were due for payment	45,152,027	36,784,651
b. Other Trade receivables	1,008,897,365	1,075,292,305
<b>Total - a + b</b>	<u>1,054,049,392</u>	<u>1,112,076,956</u>
<b>14 Cash and Bank Balance</b>	<b>31 March 2017</b>	<b>31 March 2016</b>
Balance with Banks (Current)	161,900	5,588,506
F.D. with Punjab National Bank	2,796,299	2,797,847
Cash on Hand	760,654	1,960,318
	<u>3,718,852</u>	<u>10,346,671</u>



	31 March 2017	31 March 2016
<b>15 Other Short Term Loans &amp; Advances</b>		
Deposits	3,972,268	4,977,268
Other Receivable	17,066,698	56,709,207
Balance with Statutory / Govt. Authority (TDS, ADVANCE TAX& VAT)	15,912,755	20,928,573
Other Loans & Advances (Unsecured but considred Good)	44,245,630	52,535,997
Pre paid Expenses	1,047,612	770,597
	<u>82,244,963</u>	<u>135,921,642</u>
<b>16 Other Current Assets</b>	<b>31 March 2017</b>	<b>31 March 2016</b>
Interest Accured on Fixed Deposit	296,989	506,690
	<u>296,989</u>	<u>506,690</u>
<b>17 Revenue From Operations</b>	<b>31 March 2017</b>	<b>31 March 2016</b>
Revenue from operations		
<b>Sales of Products</b>		
Finished Goods (Net of Returns, Rebate & Discount)	3,120,631,273	3,204,269,181
Export Sales	110,953,706	136,033,169
Yarn	–	878,285
<b>Sale of Services</b>		
Processing of Cloth - Job Work	463,955,000	596,947,561
<b>Other Operating Revenue</b>		
Export Incentive	12,641,476	15,591,608
Revenue from Operations (Gross)	<u>3,708,181,455</u>	<u>3,953,719,804</u>
Less: Excise Duty	–	–
Revenue from Operations (Net)	<u>3,708,181,455</u>	<u>3,953,719,804</u>
<b>Details of Product sold</b>		
Grey Fabrics	338,902,118	253,194,519
Finished Fabrics	2,950,427,965	3,081,590,438
Yarn	–	878,285
	<u>3,289,330,083</u>	<u>3,335,663,242</u>
<b>18 Other Income</b>	<b>31 March 2017</b>	<b>31 March 2016</b>
Interest income on		
Bank Deposit	249,371	895,476
Others	998,717	532,597
Profit on Sale of Fixed Assets	1,668,484	1,730,247
Rent Received	600	–
	<u>2,917,172</u>	<u>3,158,320</u>



<b>19 Cost of raw material and components consumed</b>	<b>31 March 2017</b>	<b>31 March 2016</b>
Raw Material (Grey) Consumed :		
Opening Stock	105,544,354	167,647,770
Add: Purchase	2,638,547,865	2,595,107,363
Add: Grey Dalali	4,156,498	6,103,863
	<u>2,748,248,717</u>	<u>2,768,858,996</u>
Less: Closing Stock	221,413,126	105,544,354
<b>TOTAL</b>	<b><u>2,526,835,591</u></b>	<b><u>2,663,314,642</u></b>
<u>Details of Raw Materials Consumed</u>		
Grey Cloth	2,526,835,591	2,663,314,642
	<u>2,526,835,591</u>	<u>2,663,314,642</u>
<b>20 Purchases of stock-in-trade</b>	<b>31 March 2017</b>	<b>31 March 2016</b>
Yarn	1,025,627	599,655
	<u>1,025,627</u>	<u>599,655</u>
<b>21 (Increase) / decrease in inventories</b>	<b>31 March 2017</b>	<b>31 March 2016</b>
Inventories at the end of the year		
Finished Goods	165,720,506	259,084,495
Work-in-Progress	125,253,721	141,277,964
Yarn	1,762,487	736,814
	<u>292,736,714</u>	<u>401,099,273</u>
<b>Inventories at the beginning of the year</b>		
Finished Goods	259,084,495	270,504,829
Work-in-Progress	141,277,964	93,942,065
Yarn	736,814	736,814
	<u>401,099,273</u>	<u>365,183,708</u>
<b>Net (Increase)/decrease</b>	<b><u>108,362,559</u></b>	<b><u>35,915,565</u></b>
<b>22 Employee Benefit Expenses</b>	<b>31 March 2017</b>	<b>31 March 2016</b>
Salary, Wages & Bonus	44,589,781	38,787,945
Contribution to Provided Fund & E.S.I.C.	3,718,904	3,668,151
Staff Welfare	738,631	291,857
Director Remuneration	2,320,000	2,360,000
	<u>51,367,316</u>	<u>45,107,953</u>
<b>23 Finance Costs</b>	<b>31 March 2017</b>	<b>31 March 2016</b>
Bank Commission & Charges	3,902,513	2,938,717
Bank Interest (Net of Interest Subsidy received)	64,801,500	81,645,819
Interest to Others	15,340,336	19,368,474
	<u>84,044,348</u>	<u>103,953,010</u>



24 Other Expenses	31 March 2017	31 March 2016
Manufacturing Expenses		
Colour Chemical Consumed :		
Opening Stock	12,255,898	23,522,081
Add: Purchase (Net of Return)	351,301,712	402,574,063
	<u>363,557,610</u>	<u>426,096,144</u>
Less: Resale	149,400	481,010
	<u>363,408,210</u>	<u>425,615,134</u>
Less: Closing Stock	16,696,573	12,255,898
	<u>346,711,637</u>	<u>413,359,236</u>
<b>Packing Material Consumed :</b>		
Opening Stock	1,248,049	1,542,674
Add: Purchase (Net of Return)	25,315,521	45,880,093
	<u>26,563,570</u>	<u>47,422,767</u>
Less: Closing Stock	860,499	1,248,049
	<u>25,703,071</u>	<u>46,174,718</u>
<b>Power &amp; Fuel Consumed</b>		
Opening Stock	515,465	10,751,638
Add: Purchase of Lignite & Fire Wood	132,151,087	169,970,996
Add: Electric Bill	61,300,693	72,211,499
	<u>193,967,245</u>	<u>252,934,133</u>
Less: Closing Stock	1,640,541	515,465
	<u>192,326,704</u>	<u>252,418,668</u>
<b>Stores &amp; Spares Consumed</b>		
Opening Stock	6,890,548	7,667,467
Add: Purchase	93,358,493	94,856,587
	<u>100,249,041</u>	<u>102,524,054</u>
Less: Closing Stock	11,885,703	6,890,548
	<u>88,363,338</u>	<u>95,633,506</u>
	<u>653,104,750</u>	<u>807,586,128</u>
Process Charges	85,607,684	192,453,261
Merine over time Charge	77,516	23,115
Freight on Inward	20,655,234	25,396,014
Machinery Repairs & Maintenance	9,369,674	11,494,868
Factory Expenses	42,646	147,902
Testing charges	1,554,223	1,633,806
Gujarat Pollution Control Board	1,202,906	1,333,042
	<u>771,614,633</u>	<u>1,040,068,136</u>

**Administrative, Selling & Distribution Expenses**

Advertisement	22,386	33,033
Air Condition Repairs	846,335	658,950
Auditors Remuneration	747,500	546,500
Books & Periodicals	68,915	15,000
Brokerage & Commission Dalali	13,204,867	14,013,749
Cartage	1,848,461	2,242,597
Charity & Donation	2,371,787	1,337,077
Computer Repairs & Maintenance expenses	676,392	657,872
ECGC & Inspaction charges	635,024	594,625
Electric Expenses	2,098,426	2,374,037
Entertainment Exp.	103,804	80,423
General Expenses	305,143	129,262
Gratuity/ Worker compansation	415,700	504,230
Insurance Charges	2,921,769	2,500,685
Furniture Repairs	-	25,553
Legal & Professional Charges	7,959,093	4,323,985
Loss By Fire	2,560,282	-
Metador Expenses	871,823	745,010
Outward Freight & Clearing & forwarding	2,762,524	3,067,165
Postage & Angaria	820,090	1,163,149
Printing & Stationery	1,230,278	1,422,395
Professional Tax	14,414	7,200
Rent Rate & Taxes	2,042,860	938,025
Repairs to Buildings	2,595,894	1,281,821
ROC & Stock Exchange exp.	173,871	566,670
Sales Promotion Expenses	372,940	249,388
Sampling exp.	23,434	15,326
Service Tax	2,725,702	1,693,365
Subscription & Membership	224,024	96,354
Telephone Expenses	765,643	830,412
Tender Fee's	-	15,100
Travelling Expenses	3,259,488	3,532,956
VAT Exps.	864,778	162,049
Vehicle Expenses	1,800,429	1,638,585
Watch & Wards	1,009,416	1,024,321
	<b>829,958,124</b>	<b>1,088,555,005</b>



25 Figures have been rounded off to nearest rupee.

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

	2016-2017	2015-2016
27 C.I.F. value of imports	34,331,812	NIL
28 Earning in foreign currency	110,953,706	136,033,169
Expenditure in foreign currency	NIL	NIL
29 Contingent liabilities & Commitments	Rs. 222.55 Lacs	Rs. 222.55 Lacs

30 Quantitative Information :-	31 <sup>st</sup> March 2017		31 <sup>st</sup> March 2016	
	Qty	Amount (Rs.)	Qty.	Amount (Rs.)
A. Raw Material Consumed				
Grey Cloth	31,894,625	2,526,835,591	38,888,422	2,663,314,642
B. Opening Stock :				
Grey Cloth	2,301,463	105,544,354	3,308,410	167,647,770
C. Closing Stock :				
Grey Cloth	3,443,821	221,413,126	2,301,463	105,544,354
D. Sales				
Grey Cloth	6,307,806	338,902,118	5,646,737	253,194,519
E. Job Work	26,012,398	463,955,000	30,590,967	596,947,561

31 Break up of expenditure incurred on employess who were in receipt of remuneration aggregating Rs. 102 Lakh or more for year or Rs. 8.50 Lakh or more, per month where employed for a part of the year. Nil (Previous Year Rs. Nil).

32 The Profit and Loss Account includes:	31 March 2017	31 March 2016
Auditors Remuneration		
(a) For Audit	250,000	446,500
(b) For Tax Audit and others	150,000	25,000
(c) For Other matters	250,000	75,000

### 33 DEFERRED TAX

Major components of deferred tax are:

Particulars	31 March 2017	31 March 2016
Deferred Tax Liability		
<b>Depreciation</b>	<b>551312</b>	<b>3340857</b>
Deferred Tax Assets		
Disallowance under the Income Tax Act, 1961		
<b>Deferred Tax Liability (Net)</b>	<b>3892168</b>	<b>3340857</b>

34 Disclosures in respect of related parties as defined in Accounting Standard 18, with whom transactions have taken place during the year are given below:-

a. Companies	Virat Spinners Pvt.Ltd.
in which directors or their relatives are interested	
b. Concerns	Aakruti Textile
in which directors or their relatives are interested	Akshika Enterprise Aashana Enterprise





**c. Directors and their relatives:**

- Shri Subhakaran T. Agarwal
- Subhakaran T. Agarwal HUF
- Shri Vasudev S. Agarwal
- Vasudev S. Agarwal HUF
- Smt.Anjana Kailash Agarwal
- Smt.Bimla Devi S. Agarwal
- Shri Kailash S. Agarwal
- Kailash S. Agarwal HUF
- Smt.Anita V. Agarwal
- Shri Mahavir Prasad Dalmia

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

<b>Particulars</b>	<b>Companies</b>	<b>Directors' &amp; their Relatives</b>	<b>Concerns in which Directors are interested</b>
1. Sales & other Inc.	Nil	Nil	Nil
2. Purchase & other Service	Nil	Nil	35,476,401
3. Remuneration & Salary	Nil	5,620,000	Nil
4. Deposit Received	3,500,000	24,784,767	10,468,045
5. Deposit Paid	3,500,000	27,696,550	12,565,000
6. Interest Recd.	Nil	Nil	Nil
7. Interest Paid	Nil	1,619,433	680,333
8. Rent Paid	Nil	363,000	Nil
9. Balance outstanding			
Dr./Cr. (Net)	Nil	20991955 CR	7515923 CR

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

**35 Earning Per Share (EPS):**

<b>Particulars</b>	<b>31 March 2017</b>	<b>31 March 2016</b>
Profit after tax as per profit & loss Account	30,621,203	37,371,689
Number of Equity Shares	1,08,01,000	1,08,01,000
Face value Rs. 10/- each Equity Shares (Previous year Rs. 10/-)		
Basic and Diluted EPS	Rs. 2.84	Rs. 3.46

**36 As per schedule III of companies Act 2013 notification no. G.S.R. 308 (E),**

**Details Specified Bank Notes (SBNs) held and Transacted during the period 08/11/2016 to 30/12/2016**

<b>Particulars</b>	<b>SBNs</b>	<b>Other Denomination Notes</b>	<b>Total</b>
Closing Cash in Hand as on 08/11/2016	200500	700204	900704
(+) Permitted Receipts	0	454000	454000
(-) Permitted Payments	200500	440902	641402
(-) Amount Deposited in Banks	0	0	0
Closing Cash in Hand as on 30/12/2016	0	713302	713302

**37 Micro & Small Enterprises Dues**

As per information given to us there were no amount overdue and remaining outstanding to small scale and /or ancillary Industrial suppliers on account of principal and /or interest as at the close of the year. Based on the information available with company, there are no dues outstanding to Micro and Small Enterprises as defined under Micro, Small and Medium Enterprises Development Act, 2006 for more than 45 days as at March 31, 2017.

**38** Previous year's figures have been regrouped/rearranged wherever necessary so as to make them comparable with the figures of the current year.

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As per our report of even date  
**For Nahta Jain & Associates**  
Chartered Accountants  
Firm Regn. No. 106801 W

**(CA. I. C Nahta)**  
**Partner**  
M.No. 070023

Place : Ahmedabad  
Date : 30/05/2017

For and on behalf of the Board of Directors  
**Anjani Synthetics Ltd.**

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

**(Manoharlal Sharma)**  
**(C.F.O.)**

**Mahavirprasad Dalmia**  
**(Director)**  
**(DIN-02884037)**

**(Rushabh M. Shah) (C.S.)**  
**M. No. A 49197**

Place : Ahmedabad  
Date : 30/05/2017



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## **SIGNIFICANT ACCOUNTING POLICIES**

### **Accounting Convention**

The financial statements are prepared under the historical cost convention on the "Accrual Concept" of accountancy in accordance with the accounting principles generally accepted in India and comply with the accounting standards issued by the Institute of Chartered Accountants of India to the extent applicable and with the relevant provisions of the Companies Act, 2013.

### **Use Of Estimates**

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amount of assets and liabilities on the date of the financial statement and the reported amount of revenues and expenses during the reporting period. Differences between the actual results and estimates are recognized in the period in which results are known/materialized.

### **Fixed Assets**

Fixed assets are stated at cost less accumulated depreciation and impairment losses, if any. Cost comprises of all expenses incurred to bring the assets to its present location and condition. Borrowing cost directly attributable to the acquisition / construction are included in the cost of fixed assets. Adjustments arising from exchange rate variations attributable to the fixed assets are capitalized.

In case of new projects / expansion of existing projects, expenditure incurred during construction / preoperative period including interest and finance charge on specific / general purpose loans, prior to commencement of commercial production are capitalized. The same are allocated to the respective fixed assets on completion of construction / erection of the capital project / fixed assets.

Capital assets (including expenditure incurred during the construction period) under erection / installation are stated in the Balance Sheet as "Capital Work in Progress."

### **Impairment of Assets**

At each balance sheet date, the Company reviews the carrying amount of its fixed assets to determine whether there is any indication that those assets suffered an impairment loss. If any such indication exists, the recoverable amount of the assets is estimated in order to determine the extent of impairment loss. Recoverable amount is the higher of an asset's net selling price and value in use. In assessing value in use, the estimated future cash flows expected from the continuing use of the assets and from its disposal are discounted to their present value using a pre-tax discount rate that reflects the current market assessments of time value of money and the risks specific to the assets.

### **Depreciation**

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

### **Investments**

Long term investments are stated at cost. Current investments are stated at lower of cost and market price. Provision for diminution in the value of long term investments is made only if such a decline is other than temporary in the opinion of the management.

### **Inventories**

Inventories are measured at lower of cost and net realizable value. Cost of raw materials, stores & spares parts are ascertained on FIFO basis. Cost of finished goods and process stock is ascertained on full absorption cost basis. Cost



of inventories comprises of cost of purchase, cost of conversion and other costs incurred in bringing in them to their present location & condition.

### Revenue Recognition

Sales are recognized when goods are supplied. Sales are net of trade discounts, rebates and vat. It does not include interdivisional sales.

Revenue in respect of other items is recognized when no significant uncertainty as to its determination or realization exists.

### Borrowing Cost

Borrowing cost that are attributable to the acquisition, construction or production of qualifying assets are capitalized as part of the cost of such assets. A qualifying assets is one that necessarily takes a substantial period of time to get ready for its intended use. All other borrowing costs are charged to revenue.

### Employee Benefits

Short – term employee benefits are recognized as an expense at the undiscounted amount in the profit & loss account of the year in which the related service is rendered.

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

### Taxes on Income.

Income tax expenses for the year comprises of current tax and deferred tax. Current tax provision is determined on the basis of taxable income computed as per the provisions of the Income Tax Act. Deferred tax is recognized for all timing differences that are capable of reversal in one or more subsequent periods subject to conditions of prudence and by applying tax rates that have been substantively enacted by the balance sheet date.

### Provision, Contingent Liabilities and Contingent Assets

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources.

Contingent liabilities are not recognized but are disclosed in the notes.

Contingent assets are neither recognized nor disclosed in the financial statements.

**For, Nahta Jain & Associates**  
Chartered Accountants  
Firm Regn. No. 106801W

**For and On Behalf of the Board of Directors**  
**ANJANI SYNTHETICS LIMITED.**

**CA. I. C. Nahta**  
Partner  
M. No. 070023

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

**(Mahaveerprasad Dalmia)**  
Director  
(DIN-02884037)

**(Manoharlal Sharma)**  
(C.F.O.)

**(Rushabh M. Shah)**  
(C.S.)

**Place : Ahmedabad**  
**Date : 30/05/2017**

**Place : Ahmedabad**  
**Date : 30/05/2017**

**CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31<sup>st</sup> MARCH, 2017**

	31 <sup>st</sup> March 2017		31 <sup>st</sup> March 2016	
	Amt. in Rs.	Amt. in Rs.	Amt. in Rs.	Amt. in Rs.
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>				
<b>NET PROFIT BEFORE TAX AND EXTRA ORDINARY ITEMS</b>		<b>49,288,805</b>		<b>49,440,372</b>
ADJUSTMENT FOR :				
DEPRECIATION	60,216,257		41,823,052	
PROFIT ON SALE OF FIXED ASSETS	-1,668,484		-1,730,247	
INTEREST PAID	80,141,836		101,014,293	
INTEREST RECEIVED	-1,248,088	137,441,521	-1,428,073	139,679,025
<b>OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES</b>		<b>186,730,326</b>		<b>189,119,397</b>
ADJUSTMENT FOR :				
TRADE AND OTHER RECEIVABLES	58,027,564		-112,433,722	
INVENTORIES	-17,679,569		48,761,751	
LOANS AND ADVANCES	53,676,679		-31,406,922	
TRADE PAYABLES	-65,175,833	28,848,841	122,164,016	27,085,123
<b>CASH OUT FLOW FROM OPERATIONS</b>		<b>215,579,167</b>		<b>216,204,520</b>
<b>CASH OUT FLOW BEFORE EXTRAORDINARY ITEMS</b>		<b>215,579,167</b>		<b>216,204,520</b>
DIRECT TAX PAID		-16600000		-8,900,000
EXTRA ORDINARY ITEMS (PRIOR YEAR'S TAX)		-1,516,291		172,174
<b>NET CASH OUT FLOW FROM OPERATING ACTIVITIES</b>		<b>197,462,876</b>		<b>207,476,694</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES :</b>				
PURCHASES OF SHARES	-		-1,640,000	
SALE OF FIXED ASSETS	13493441		2,164,500	
INTEREST RECEIVED	1,248,088		1,428,073	
PURCHASES OF FIXED ASSETS	-29412507		-215,284,297	
<b>NET CASH OUT FLOW FROM INVESTING ACTIVITIES</b>		<b>-14670978</b>		<b>-213331724</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>				
INCREASE IN SECURED LOANS	56,115		103,520,228	
INCREASE IN UNSECURED LOANS	-109,543,697		7,379,109	
INTEREST PAID	-80,141,836		-101,014,293	
<b>NET CASH FLOW IN FINANCING ACTIVITIES</b>		<b>-189629418</b>		<b>9885044</b>
NET INCREASE /(DECREASE) IN CASH AND CASH EQUIVALENT		-6837520		4030014
CASH AND CASH EQUIVALENT AS AT 31.03.2016 (OPENING CASH BALANCE )		10853361		6823347
<b>CASH AND CASH EQUIVALENT AS AT 31.03.2017</b>		<b>4015841</b>		<b>10853361</b>
<b>CLOSING CASH BALANCE</b>		<b>4015841</b>		<b>10853361</b>

**AUDITORS' REPORT**

We have verified the attached Cash Flow Statement of ANJANI SYNTHETICS LIMITED derived from the audited financial statements and the books of records maintained by the company for the year ended 31st March, 2017 and found the same in agreement therewith.

**For Nahta Jain & Associates**  
Chartered Accountants  
Firm Regn. No. 106801 W

Ahmedabad  
30th May, 2017

**(CA. I. C. Nahta)**  
Partner  
M.No. 070023



# ANJANI SYNTHETICS LIMITED

[CIN : L11711GJ1984PLC007048]

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

Tel-Fax: 079- 22173181 Email : info@anjanisynthetics.com

## Proxy Form

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

Name of Member		
Registered Address		
Folio No/ Client ID	DP ID	

I/ We, being the member(s) of \_\_\_\_\_ shares of the above mentioned Company, hereby appoint:

1. Name : \_\_\_\_\_

Address : \_\_\_\_\_

E-mail Id : \_\_\_\_\_ Signature \_\_\_\_\_ or failing him/her

2. Name : \_\_\_\_\_

Address : \_\_\_\_\_

E-mail Id : \_\_\_\_\_ Signature : \_\_\_\_\_

as my/ our proxy to attend and vote (on a poll) for me/ us and on my/ our behalf at the 33rd Annual General Meeting of the Company, to be held on Friday, 29th day of September, 2017 at 11.00 a.m. at Plot No.140, Saijpur-Gopalpur, Pirana Road, Pipej, Ahmedabad-382405, Gujarat, INDIA and at any adjournment thereof in respect of such resolutions set out in the Notice convening the meeting, as are indicated below:

S.No.	Ordinary Business	For	Against
1.	Adoption of audited financial statements of the Company for the financial year ended 31st March 2017		
2.	Appointment of Mr. Mahavir Prasad Dalmia [DIN: 02884037] as a Director of the Company who retires by rotation		
3.	Appointment of Abhishek Kumar & Associates, Chartered Accountants as statutory auditors of the Company.		
	<b>Special Business</b>		
4.	Appointment of Mr. Govindprasad M. Goyal [DIN:07642571] as an Independent Director of the Company		
5.	Ratification of the remuneration of the Cost Auditors for the financial year 2017-18		
6.	Re-appointment of Mr. Vasudev Agarwal as a Managing Director		
7.	Appointment of Mr. Mahavirprasad Dalmia as a Whole time Director		
8.	Approval of Related Party Transaction		
9.	Issuance of 3949000 equity Shares on preferential basis		

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2017



Signature of the Shareholder

Signature of the Proxy holder(s)

### Notes :

- This form of proxy in order to be effective should be duly completed and deposited at the registered office of the Company, not less than 48 hours before the commencement of the meeting.
- Notwithstanding the above, the Proxies can vote on such other items which may be tabled at the meeting by the members present.
- In the case of jointholders, the signature of any one holder will be sufficient, but names of all the jointholders should be stated.
- For Resolutions, Statement pursuant to Section 102 of the Companies Act 2013 and Notes, please refer to the Notice of 33rd Annual General Meeting.**
- Appointing a proxy does not prevent a member from attending the meeting in person if he so wishes.



# ANJANI SYNTHETICS LIMITED

[CIN : L11711GJ1984PLC007048]

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Tel-Fax: 079- 22173181 Email : [info@anjanisynthetics.com](mailto:info@anjanisynthetics.com)

## ATTENDANCE SLIP

[To be handed over at the entrance of the meeting hall]  
**33RD ANNUAL GENERAL MEETING 29.09.2017**

Registered Folio No.: \_\_\_\_\_ No. of Shares held : \_\_\_\_\_

DP ID No.\*: \_\_\_\_\_ Client ID No.\*: \_\_\_\_\_

Name of the attending Member/ Proxy : \_\_\_\_\_  
[IN BLOCK LETTER]

\*Applicable for members holding shares in electronic form only.

I hereby record my presence at this 33rd Annual General Meeting held at Plot No.140, Saijpur Gopalpur, Pirana Road, Piplej, Ahmedabad- 382405, Gujarat on Friday, 29th day of September, 2017 at 11.00 a.m.

\_\_\_\_\_  
Member's/ Proxy's Signature

Place:

Date:

Notes:

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

### E-VOTING

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

EVSN (E-VOTING EVENT NO.)	USER ID*	PASSWORD / PIN*
170818007		

\*Note:

Please follow steps for remote e-voting procedure as given in the Notice of 33<sup>rd</sup> AGM by log in on to <https://evotingindia.com> and the same is also available on [http:// http://www.anjanisynthetics.com/](http://www.anjanisynthetics.com/)



*If Undelivered please return to :*

**ANJANI SYNTHETICS LIMITED**

**[CIN: L11711GJ1984PLC007048]**

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

O/s. Raipur Gate, Ahmedabad-380002, Gujarat.

**Tel-Fax: 079- 22173181 Email : [info@anjanisynthetics.com](mailto:info@anjanisynthetics.com)**

**Book Post**

To