



PBM POLYTEX LTD.

REGD. OFFICE: OPP. STATION, POST: PETLAD – 388450,
DIST: ANAND, GUJARAT, CIN : L17110GJ1919PLC000495
PHONE: 224001, 224003, STORES: 224005, SALES: 224006
FAX (02697) 224009, E-Mail: pbmmills@patodiagroup.com

THROUGH BSE.LISTING CENTRE

31.08.2019

To,
The General Manager
M/s BSE Limited,
Department of Corporate Services,
Floor 25, P. J. Towers,
Dalal Street,
Mumbai – 400001

Company Code: BSE Limited, Listing Code – 514087

Sir / Madam,

SUB: ANNUAL REPORT FOR THE FINANCIAL YEAR 2018 – 19.

We attach herewith **a copy of the Annual Report of the Company for the FINANCIAL YEAR 2018 – 19** consisting of the following, for your information and records:

Sl. No.	Particulars
a)	Notice convening the 100 th Annual General Meeting of the Company is to be held on Monday, the 30 th day of September, 2019
b)	Directors' Report along with all its Annexure
c)	Secretarial Audit Report
d)	Report on Corporate Governance
e)	Management Discussion and Analysis Report
f)	CEO certification on Compliance with Code of Business Conduct and Ethics
g)	CEO/CFO Certification
h)	Secretarial Auditors' Certificate on Compliance with conditions of Corporate Governance
i)	Independent Auditors' Reports both Standalone and Consolidated
j)	Standalone and Consolidated Balance Sheets as of 31 st March, 2019 with Notes on Accounts
k)	Standalone and Consolidated Statements of Profit & Loss for the year ended 31 st March, 2019 with Notes on Accounts
l)	Cash Flow Statements for the year ended 31 st March, 2019
m)	Attendance Slip
n)	Proxy Form

Please acknowledge.

Thanking you,
Yours faithfully,
For PBM Polytex Limited


(Gopal Patodia)
Managing Director
(DIN : 00014247)

ENCL: Copy of the Annual Report for the FINANCIAL YEAR 2018 – 19.



PBM Polytex Limited

100TH ANNUAL REPORT 2018-2019



100TH ANNUAL REPORT (2018-19)

BOARD OF DIRECTORS

Shri Krishan Kumar Patodia	Chairman
Shri Gopal Patodia	Managing Director
Shri Mohan Kumar Patodia	Managing Director cum CFO
Shri Hari Prasad Siotia	Non - Executive Director
Shri Jugalkishore Todi	Independent Director
Smt. Vinita Devi Modi	Independent cum Woman Director
Shri Makhanlal Bagaria	Independent Director
Shri Ashok Pandit	Independent Director
Shri Rakesh Todi	Additional Director (Independent) (Appointed w.e.f. 13.08.2019)

SENIOR EXECUTIVES

Shri Amit Patodia	Senior President cum CEO
Shri Vikash Patodia	Senior President

ASSIST. COMPANY SECRETARY

Shri Mukesh Prajapat

REGISTERED OFFICE

Opposite Railway Station, Petlad-388450
Dist. Anand, Gujarat, Website: www.pbmpolytex.com

MUMBAI OFFICE

12th Floor, Raheja Chambers,
213, Nariman Point, Mumbai - 400 021

CORPORATE OFFICE

8th Floor, Ramakrishna Chambers, Productivity Road,
Alkapuri, Vadodara – 390 007

MANUFACTURING UNITS

- (1) Opposite Railway Station, Petlad 388450
Dist. Anand, (Guj.)
- (2) Plot No. 16 to 19, Sector B,
AKVN Industrial Area,
Kheritaigaon, Borgaon, Dist. Chhindwara (MP)

WIND MILLS

- (1) Vill: Suthari, Revenue Survey No. 870/p,
Abdasa Taluka, Dist. Kutch (Guj.)
- (2) Vill: Okha Madhi, Survey No. 24 Part,
Taluka Dwarka, Dist. Jamnagar (Guj.)
- (3) Vill: Methan Survey No. 284, Taluka Jamjodhpur,
Dist. Jamnagar (Guj.)
- (4) Vill: Methan Survey No. 284/3 paiki,
Taluka Jamjodhpur, Dist. Jamnagar (Guj.)

BANKERS

State Bank of India
IDBI Bank Limited

AUDITORS

M/s. Chandulal M. Shah & Co. (FRN : 101698W)
Chartered Accountants,
601, Samruddhi, Opp. Sakar - III, Sattar Taluka Society, Ahmedabad - 380014.

REGISTRAR AND SHARE TRANSFER AGENT ("RTA")

M/s. Link Intime India Pvt. Ltd. having its branch office at B-102 & 103,
Shangrila Complex, Off. HDFC Bank, Near Radhakrishna Char Rasta,
Akota, Vadodara - 390020

NOTICE TO SHAREHOLDERS

Notice is, hereby, given that the Hundredth Annual General Meeting of the Members of PBM Polytex Limited will be held at the Registered Office of the Company situated at PBM Polytex Limited, Opposite Railway Station, Petlad, Dist. Anand, Gujarat – 388450 on **Monday, 30th September, 2019** at **11:00 A. M.** to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheets as at 31st March 2019, Statements of Profit and Loss (including Audited Consolidated Financial Statements) and Cash Flow Statements for the year ended on that date together with the Directors' Report and Auditors' Reports thereon.
2. To declare dividend on equity shares for the financial year ended 31st March, 2019.
3. To appoint a Director in place of Shri Krishan Kumar Patodia (DIN : 00027335) as director who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Shri Gopal Patodia (DIN : 00014247) as director who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

5. **To ratify remuneration payable to the Cost Auditor for the financial year 2019-20:**

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

"RESOLVED THAT pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013, if any and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the remuneration payable to Shri B. C. Desai, Cost Auditor, Ahmedabad (Membership Number - 1077), i.e. Rs. 50,000/- (Rupees Fifty Thousand Only) plus GST and reimbursement of travelling and out-of pocket expenses, as recommended by the Audit Committee and approved by the Board to conduct the audit of cost records and statements maintained by the Company for the financial year 2019 – 20, be and is, hereby, ratified and confirmed.

RESOLVED FURTHER THAT the Board of Directors of the Company, be and is, hereby, severally authorized to do all such acts, things & deeds and take all such steps as may be deemed necessary, proper or expedient to give effect to this resolution."

6. **To appoint Shri Rakesh Todi (DIN : 08476512) as an Independent Director of the Company to hold office for a term of five consecutive years:**

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

"RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions, if any, of the Companies Act, 2013 ("the Act"), and the Rules and Regulations made thereunder (including any statutory modification(s) or re – enactment thereof for the time being in force) read with Schedule IV of the Act, approval of the members, be and is, hereby, accorded for appointment of Shri Rakesh Todi (DIN : 08476512), who was appointed as an Additional Director of the Company with effect from 13th August, 2019 and whose period of office is liable to expire at the conclusion of the 100th Annual General Meeting of the Company, as an Independent Director of the Company, not liable to retire by rotation and to hold office for a term of five consecutive years w.e.f. 13th August, 2019.

RESOLVED FURTHER THAT the Board of Directors of the Company, be and is, hereby, severally authorized to do all acts, things & deeds and take all such steps as may be deemed necessary, proper or expedient to give effect to this resolution."

7. **To reappoint Smt. Vinita Devi Modi (DIN : 06965473) as an Independent cum Woman Director of the Company for the second term of 5 consecutive years:**

To consider and, if thought fit, to pass the following resolution, with or without modification(s), as SPECIAL RESOLUTION:

"RESOLVED THAT pursuant to provisions of sections 149, 152 read with Schedule IV and other applicable provisions of Companies Act 2013 and also read with Rule 3 of the Companies (Appointment and Qualification of Directors) Rules, 2014 and the rules framed thereunder as amended from time to time and other applicable regulation(s) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, including any statutory modification(s) or re-enactment thereof for the time being in force, if any, the consent of the members, be and is, hereby, given for reappointment of Smt. Vinita Devi Modi (DIN : 06965473) for the second term of 5 consecutive years from 20th September, 2019 to 19th September, 2024, who was appointed as Non-Executive Independent Director of the Company for the first term of 5 consecutive years from 20th September, 2014 to 19th September, 2019.

RESOLVED FURTHER THAT the Board of Directors of the Company, be and is, hereby, authorised to do all acts, deeds, matters or things and take such steps as may be necessary, expedient or required in this regard."

8. **To reappoint Shri Makhanlal Bagaria (DIN : 01213323) as an Independent Director of the Company for the second term of 5 consecutive years:**

To consider and, if thought fit, to pass the following resolution, with or without modification(s), as SPECIAL RESOLUTION:

“RESOLVED THAT pursuant to provisions of sections 149, 152 read with Schedule IV and other applicable provisions of Companies Act 2013 and the rules and regulations framed thereunder, as amended from time to time, and other applicable regulation(s) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, including any statutory modification(s) or re-enactment thereof for the time being in force, if any, the consent of the members, be and is, hereby, given for reappointment of Shri Makhanlal Bagaria (DIN : 01213323) for the second term of 5 consecutive years from 9th February, 2020 to 8th February, 2025, who was appointed as Non-Executive Independent Director of the Company for the first term of 5 consecutive years from 9th February, 2015 to 8th February, 2020 and who has attained the age of 75 years.

RESOLVED FURTHER THAT the Board of Directors of the Company, be and is, hereby, authorised to do all acts, deeds, matters or things and take such steps as may be necessary, expedient or required in this regard.”

9. **Continuation of Directorship of Shri Krishan Kumar Patodia (DIN : 00027335) as Non-Executive Non-Independent Director of the Company:**

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

“RESOLVED THAT pursuant to Regulation 17(1A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder, including any statutory modification(s) or re-enactment thereof for the time being in force, if any, approval of the members, be and is, hereby, granted to Shri Krishan Kumar Patodia (DIN : 00027335), who was appointed as Non-Executive Non-Independent Director of the Company and who is going to attain the age of 75 years on 25th May, 2020, for continuing to be a Non-Executive Non-Independent Director of the Company w.e.f. 26th May, 2020 till he resigns or board and members decide otherwise, liable to be retire by rotation.

RESOLVED FURTHER THAT the Board of Directors of the Company, be and is, hereby, authorised to do all acts, deeds, matters or things and take such steps as may be necessary, expedient or required in this regard.”

NOTES:

- A. **ANY MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON BEHALF OF HIMSELF / HERSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY.**

PROXIES, IN ORDER TO BE VALID, MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY, DULY STAMPED, COMPLETED AND SIGNED, NOT LESS THAN FORTY – EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING. A Proxy Form is annexed to this Report.

A person can act as a proxy on behalf of Members not exceeding fifty in number and holding in aggregate not more than 10% of the total Share Capital of the Company carrying voting rights. However, a Member holding more than 10% of the total Share Capital of the Company carrying voting rights may appoint a single person as a proxy and such person shall not act as proxy for any other shareholder.

- B. **Members are requested to bring their Attendance Slips duly completed and signed mentioning therein details of their DP ID-Client ID or Folio No.**

C. In case of Joint Holders attending the meeting, only the first named holder will be entitled to vote at the meeting.

- D. **Corporate Members intending to send their Authorized Representatives to attend the Meeting and vote at the meeting pursuant to section 113 of the Companies Act, 2013, are requested to send to the Company, a Certified Copy of the relevant Board Resolution together with the respective Specimen Signatures of their Authorised Representative(s) to attend and vote on their behalf at the Meeting.**

E. The Register of Members and Share Transfer Books of the Company will remain closed from **Tuesday, 24th September, 2019 to Monday, 30th September, 2019 (both days inclusive)**. Those Shareholders whose names appear on the Register of Members on **Monday, 23rd September, 2019** shall be eligible for dividend.

- F. **Mandatory update of PAN and Bank Account Details:**

With reference to SEBI Circular No. SEBI/HO/MIRSD/DOP1/CIR/P/2018/73 dated 20th April, 2018, Shareholders who have not submitted Copy of PAN Card and Bank Account details, need to provide such particulars as are mandatorily required to be furnished to the Company/RTA for taking on record.

The shareholders need to submit the following documents to the RTA/Company to update the records:

- Self-attested copy of PAN Card. For resident of Sikkim, the requirement of PAN card may be substituted with a valid Identity proof issued by Government.
- Cancelled Cheque leaf with name of Shareholder, Bank A/c No., Bank Name, type of account, IFSC and MICR Code or Bank attested copy of the first page of Passbook showing name of Shareholder.
- Address proof (self-attested copy of Aadhaar Card / Electricity Bill / Telephone Bill / Passport) of the Shareholder.
- Any change in the name of Shareholders alongwith copy of Gazette Notification.

Kindly note that all the above documents are mandatorily required to be submitted (in case not submitted so far) with the Company/RTA/ Depository Participant for processing the payment of dividend / transfer / transmission / issue of duplicate share certificate / correction of errors etc., if any.

- G. Members are informed that pursuant to the SEBI Press Note bearing PR No. 12/2019 dtd. 27.03.2019, the SEBI has mandated the transfer of shares in dematerialized form only with effect from 01.04.2019 and accordingly, all the Equity Shares of the Company are under compulsory Demat trading by all investors. Members are, therefore, requested to open Depository Account in their names with a Depository Participant for dematerialization of their holdings.
- H. All businesses to be transacted at the meeting, may be transacted through electronic voting system. The Company is providing facility of e-Voting to all the shareholders of the Company whose names appear on the Company's Register of Members including Beneficial Owners on **Monday, 23rd September, 2019**.
- I. Voting through Ballot Paper shall be made available at the venue of AGM & the members attending the AGM who have not casted their vote by e-voting shall be able to cast their vote by Ballot Paper at the meeting.
- J. Pursuant to the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended from time to time, all the Equity Shares held by such shareholders who have not claimed their dividend for consecutive seven years from the financial year 2011-12 shall be transferred to the Investor Education and Protection Fund (IEPF) Authority alongwith dividend remaining unpaid for the financial year 2011-12. The necessary notice in this regard has been given to all the concerned shareholders through Registered Post.
- This information has also been placed on the Company's, as well as, BSE's websites and notified in Newspapers. The shareholders should take proper care in this regard in their interest as advised in the Notices by the Company. Such action will continue to be enforced year after year.
- K. Members are requested to inform immediately any change in their address to the Company's Registrar and Share Transfer Agent.
- L. Members are further requested to register or update their email ID with the Company and Depository Participants to enable them to send any correspondence electronically.
- M. Members can avail the nomination facility by submitting Form SH-13 with the Company. Blank forms will be supplied on request.
- N. Explanatory Statements pursuant to section 102 of the Companies Act 2013 in respect of Special Business at Item Nos. 5 to 9 are appended herewith.
- O. The Register of Directors and Key Managerial Personnel and their Shareholding, maintained under Section 170 of the Companies Act, 2013 and other documents as mandated under the Companies Act, 2013 will be made available at the venue of AGM for inspection by the Members.

In compliance with the provisions of section 108 of the Companies Act, 2013 and the Rules framed thereunder and Regulation 44 of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015, as amended from time to time, the Members are provided with the facility to cast their vote electronically, through the e-voting services provided by CSDL, on all resolutions set forth in this Notice.

PROCESS FOR MEMBERS OPTING E – VOTING:

I. In case of members receiving e-mail:

- (i) The shareholders should log on to the e-voting website www.evotingindia.com.
- (ii) Click on Shareholders.
- (iii) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (iv) Next enter the Image Verification as displayed and Click on Login.
- (v) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (vi) If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders, as well as, physical shareholders) <ul style="list-style-type: none"> Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number which is printed on Postal Ballot / Attendance Slip indicated in the PAN field.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none"> If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iii).

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

- (viii) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (ix) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (x) Click on the EVSN for PBM POLYTEX LIMITED.
- (xi) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiii) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xiv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xv) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xvi) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xvii) Shareholders can also use Mobile App - "m-Voting" for e-voting. m-Voting app is available on Apple, Android and Windows based Mobile. Shareholders may log in to m-Voting using their e-Voting credentials to vote for the company resolution(s).
- (xviii) **Note for Non – Individual Shareholders and Custodians**
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details, User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xix) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.

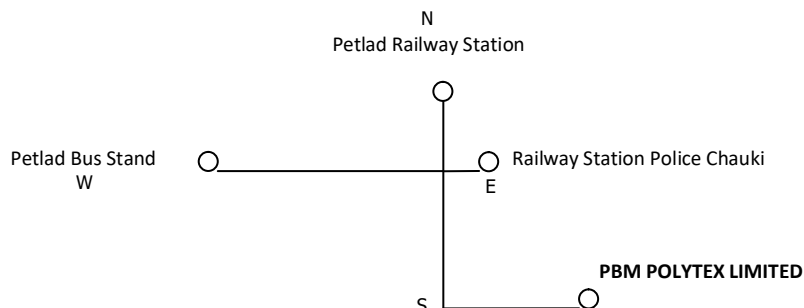
II. In case of members receiving the physical copy:

Use initial password as provided in the enclosed Form and follow all the steps from Sl. No. i to xvi to cast your vote.

III. Other Instructions:

1. The e-voting period begins on **Friday, 27th September, 2019 at 09:00 A. M.** and ends on **Sunday, 29th September, 2019 at 05:00 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 (Record Date), Monday, 23rd September, 2019** may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting after 05:00 P. M. on Sunday, 29th September, 2019.
2. The voting rights of Members shall be in proportion to their shares of the paid up equity share capital of the Company as on the **Record Date, i.e. Monday, 23rd September, 2019.**
3. M/s. Samdani Shah & Kabra, a firm of Practicing Company Secretary, Vadodara, has been appointed as the Scrutinizers to scrutinize the e-voting process in a fair and transparent manner.
4. The Chairman shall, at the Annual General Meeting, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutiner, by use of "Ballot Paper" for all those members who are present at the Annual General Meeting but have not cast their votes by availing the remote e-voting facility.
5. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com.
6. Any person, who acquires shares of the Company and becomes member of the Company after the dispatch of the notice and holding shares as on the **Record Date i.e. Monday, 23rd September, 2019** may obtain User ID and password by sending a request to our RTA, M/s Link Intime India Pvt. Ltd., Vadodara; Email ID vadodara@linkintime.co.in; Tel. No. 0265 – 2356573, 2356794 and follow all the steps from Sl. No. i to xvi to cast your vote.

7. The results declared along with the Scrutinizer's Report shall be placed on the Company's website www.pbmpolytex.com and on the website of CSDL www.evotingindia.com immediately after the declaration of result by the Chairman or a person authorized by him in writing and communicated to the BSE Limited, where the shares of the Company are listed.
8. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again. The route map of the registered office of the Company where the Annual General Meeting of the Company will be held is given below :



By Order of the Board
For PBM Polytex Limited

(GOPAL PATODIA)
Managing Director
(DIN : 00014247)

Place : Petlad
Date : 13.08.2019

ANNEXURE TO NOTICE

EXPLANATORY STATEMENTS UNDER SECTION 102 OF THE COMPANIES ACT, 2013.

ITEM NO. 5

The Cost Records and related statements of the Company are subject to audit as required under section 148 of the Companies Act, 2013 for which Mr. B. C. Desai, Qualified Cost Accountant (Membership No. 1077), has been appointed by the Board of Directors of the Company for the financial year 2019-20 at total remuneration of Rs. 50,000/- (Rupees Fifty Thousand Only) plus GST and reimbursement of travelling and out-of pocket expenses incurred. The consent of the members is sought for ratification of remuneration payable to the Cost Auditor.

None of the Directors, Key Managerial Personnel or their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out in Item No. 5 of the notice.

ITEM NO. 6

Shri Rakesh Todi (DIN : 08476512), a graduate, having Degree of B. Com. and aged 60 years, is having rich experience in financial market. The Board of Directors of the Company, on the recommendation of Nomination and Remuneration Committee, had appointed Mr. Shri Rakesh Todi as an Additional Director since 13th August, 2019 on Company's Board upto the conclusion of the 100th Annual General Meeting of the Company under the applicable provisions of the Companies Act, 2013 ("the Act").

In the opinion of the Board, Shri Rakesh Todi fulfills all the conditions specified in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Act and Rules made thereunder for his appointment as an Independent Director of the Company. Having regard to his qualifications, knowledge and experience, his appointment as an Independent Director will be in the interest of the Company.

All the particulars about his qualifications, experience etc. are mentioned in the Statement showing "Details of Directors seeking appointment/reappointment" attached to this notice.

Copy of the draft letter for appointment of Shri Rakesh Todi as an Independent Director setting out the terms and conditions would be available for inspection without any fee by the members at the Registered Office of the Company during office hours between 03:00 P.M. and 05:00 P.M. on all working days (Monday to Friday) upto 30th September, 2019. The Board recommends his appointment as an Independent Director to hold office for a term of five consecutive years w.e.f. 13th August, 2019 which is in the interest of the Company.

None of the Directors, Key Managerial personnel and / or their relatives, except Shri Rakesh Todi himself is concerned or interested in the resolution set out in Item No. 6 of the notice.

ITEM NO. 7

The term of an Independent cum Woman Director, Smt. Vinita Devi Modi (DIN : 06965473), shall expire at the 100th Annual General Meeting of the Company. She, being eligible for reappointment for the second term of 5 consecutive years, the Nomination and Remuneration Committee ("NRC") and the Board of Directors have recommended her reappointment for the second term of five consecutive years from 20th September, 2019 to 19th September, 2024.

All the particulars about her qualifications, experience etc. are mentioned in the Statement showing “Details of Directors seeking appointment/reappointment” attached to this notice.

Copy of the draft letter for reappointment of Smt. Vinita Devi Modi as an Independent Director setting out the terms and conditions would be available for inspection without any fee by the members at the Registered Office of the Company during office hours between 03:00 P.M. and 05:00 P.M. on all working days (Monday to Friday) upto 30th September, 2019. The Directors accordingly recommend to pass the Special Resolution by the Members at Item No. 7 of the Notice.

None of the Directors, Key Managerial personnel and / or their relatives except Smt. Vinita Devi Modi herself is concerned or interested in the resolution set out in Item No. 7 of the notice.

ITEM NO. 8

Shri Makhanlal Bagaria (DIN : 01213323), being on the Board of the Company as an Independent Director from 9th February, 2015 to 8th February, 2020 and who has attained the age of 75 years, has been confirmed for continuation as such by way of Special Resolution passed on 26.03.2019 by Postal Ballot cum e-Voting.

The Securities and Exchange Board of India (SEBI), vide its Notification dated 9th May, 2018 notified Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, introduced new Sub Regulation 17(1A) made effective from 1st April, 2019, mandated that a listed entity shall not appoint a person or continue the directorship of any person as Non-Executive Director who has attained the age of 75 years or more unless a special resolution is passed to that effect.

He is eligible for reappointment for tenure of second term of 5 consecutive years from 9th February, 2020 to 8th February, 2025, in accordance with the applicable provisions of the Companies Act, 2013 and the NRC and Board have recommend his reappointment as such from 9th February, 2020 to 8th February, 2025.

All the particulars about his qualifications, experience etc. are mentioned in the Statement showing “Details of Directors seeking appointment/reappointment” attached to this notice.

Copy of the draft letter for reappointment of Shri Makhanlal Bagaria as an Independent Director setting out the terms and conditions would be available for inspection without any fee by the members at the Registered Office of the Company during office hours between 03:00 P.M. and 05:00 P.M. on all working days (Monday to Friday) upto 30th September, 2019. The Directors accordingly recommend to pass the Special Resolution by the Members at Item No. 8 of the Notice.

None of the Directors, Key Managerial personnel and / or their relatives except Shri Makhanlal Bagaria himself is concerned or interested in the resolution set out in Item No. 8 of the notice.

ITEM NO. 9

The Securities and Exchange Board of India (SEBI), vide its Notification dated 9th May, 2018 notified Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, introduced new Regulation 17(1A) made effective from 1st April, 2019, mandated that a listed entity shall not appoint a person or continue the directorship of any person as Non-Executive Director who has attained the age of 75 years or more unless a special resolution is passed to that effect.

Pursuant to the approval of Shareholders at the 98th Annual General Meeting held on 25th September, 2017, Shri Krishan Kumar Patodia (DIN: 00027335) was appointed as a Non-Executive Non-Independent Director of the Company, who is liable to retire by rotation as per the provisions of the Companies Act, 2013 and Articles of Association of the Company.

Since he is going to attain the age of 75 years on 25th May, 2020 (i.e. prior to the date of holding the 101st Annual General Meeting of the Company for the financial year 2019-20), he cannot continue the office of Non-Executive Director w.e.f. 26th May, 2020, unless the consent of the shareholders is obtained by way of special resolution as required under Regulation 17(1A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018.

He is a gold medalist in Textile Engineering and has rich experience of more than five decades in the field of Cotton and Yarn trading, as well as, manufacturing activity of textiles. He also serves on the Board of Directors of other reputed Public Companies. He has been deputing all his best in all the activities of the Company.

The Nomination and Remuneration Committee of the Board (“NRC”) at its meeting held on 13th August, 2019 thinks it beneficial that Shri Krishan Kumar Patodia’s continuance as a Non-Executive Non-Independent Director w.e.f. 26th May, 2020 till he resigns, or board and members decides otherwise, liable to retire by rotation, is beneficial to the Company. The NRC hence unanimously recommended to the Board his continuance as a Non-Executive Non-Independent Director of the Company till he resigns or board and members to decide otherwise, liable to be retire by rotation.

At the Board Meeting held on 13th August, 2019, the Board of Directors accepted the above recommendation of the NRC and, after discussions, unanimously agreed that Shri Krishan Kumar Patodia’s continuance as a Non-Executive Non-Independent Director w.e.f. 26th May, 2020 till he resigns or board and members to decide otherwise, liable to retire by rotation and his continued advice and guidance will be of much value to the Company. The Directors accordingly recommend to pass the Special Resolution by the Members at Item No. 9 of the Notice.

None of the Directors, Key Managerial personnel and / or their relatives except Shri Krishan Kumar Patodia himself is concerned or interested in the resolution set out in Item No. 9 of the notice.

Details of Directors seeking Appointment/Reappointment at the 100th Annual General Meeting pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard-2 issued by the Institute of Company Secretaries of India ("ICSI") are as under:

Sl. No.	Name of Director	Shri Krishan Kumar Patodia, Chairman	Shri Gopal Patodia, Managing Director	Shri Rakesh Todi, Additional Director (Independent)	Smt. Vinita Devi Modi, Independent cum Woman Director	Shri Makhanlal Bagaria, Independent Director
1	DIN	00027335	00014247	08476512	06965473	01213323
2	Date of Birth	26.05.1945	12.12.1946	23.11.1958	04.04.1956	04.04.1943
3	Age (in Years)	74	73	61	63	76
4	Date of Appointment	12.06.1979	12.09.1978	13.08.2019	20.09.2014	09.02.2015
5	Qualifications	B.Sc. Text (Hons.)	B.Sc. and B. Tech (Chemical)	B. Com.	BA	B.Sc. (Textiles)
6	Brief profile and nature of their expertise in specific functional areas.	54 years of experience in managing textile industries and gold medalist in textile engineering. Also he is a Managing Director of Eurotex Industries and Exports Limited.	47 years of experience in managing textile industry and marketing. Also he is a Managing Director of the Company.	Rich experience of financial market.	Educator at Riverdale School, Ahmedabad.	Rich knowledge and experience in the field of Textiles and of serving with many Corporates.
7	Current remuneration (last drawn remuneration)	Sitting fees for attending Board meetings	Rs. 65,25,150/-	N. A.	Sitting fees for attending Board meetings	Sitting fees for attending Board meetings
8	Details of remuneration sought to be paid	N. A.	Rs. 18,60,000/-	N. A.	N. A.	N. A.
9	Key terms and conditions of appointment	He is Non-Executive Non-Independent Director of the Company. He is required to comply with the applicable provisions of the Companies Act, SEBI Regulations and other applicable laws.	He is Managing Director of the Company. He is required to comply with the applicable provisions of the Companies Act, SEBI Regulations and other applicable laws.	He is an Additional Director in the capacity of Independent Director of the Company. He is required to comply with the applicable provisions of the Companies Act (including Schedule IV thereto), SEBI Regulations and other applicable laws.	She is Non-Executive Independent Director of the Company. She is required to comply with the applicable provisions of the Companies Act (including Schedule IV thereto), SEBI Regulations and other applicable laws.	He is Non-Executive Independent Director of the Company. He is required to comply with the applicable provisions of the Companies Act (including Schedule IV thereto), SEBI Regulations and other applicable laws.
10	Number of meetings of the Board attended during the year	1	7	N. A.	7	2
11	Directorship of other Companies	Eurotex Industries and Exports Limited; Patodia Syntex Limited; Shree Janardana Mills Limited; Maharashtra Fibres & Syntex Limited; Eurospin Industries Limited; Sambhu Investments Private Limited; Rajiv Agencies Private Limited; Thrust Invest. & Mgt. Consult. Pvt. Ltd.; Mercury Gems Private Limited; Patodia Company Pvt. Ltd.	#Eurotex Industries and Exports Limited; Patodia Syntex Limited; Patodia Company Private Limited; Shashank Investments Private Limited; Trikon Investments Private Limited; Sambhu Investments Private Limited; Veepee Intraides Private Limited.	NIL	NIL	Eurotex Industries and Exports Ltd.; Shrishti Tours and Travels Private Limited
12	Chairman of Committees of other Companies	CSR Committee, Eurotex Industries and Exports Limited	NIL	NIL	NIL	Nomination & Remuneration Committee, Eurotex Industries and Exports Limited
13	Member of Committees of other Companies	Stakeholders Relationship Committee, Eurotex Industries and Exports Limited	NIL	NIL	NIL	Audit Committee, Eurotex Industries and Exports Limited
14	Shareholding in the Company as on 31 st March, 2019	141028	27369	13227	NIL	NIL
15	Relationship with other Director, Manager and Key Managerial Personnel ("KMP")	Brothers: Shri Krishan Kumar Patodia, Shri Gopal Patodia and Shri Mohan Kumar Patodia Son of Brother (Shri Gopal Patodia): Shri Amit Patodia – Senior President cum CEO	Brothers: Shri Krishan Kumar Patodia, Shri Gopal Patodia and Shri Mohan Kumar Patodia Son: Shri Amit Patodia – Senior President cum CEO	Not related to any of the Directors, Managers and KMP.	Not related to any of the Directors, Managers and KMP.	Not related to any of the Directors, Managers and KMP.

Shri Gopal Patodia ceased to be Director of M/s. Eurotex Industries and Exports Limited w.e.f. 13.05.2019.

By Order of the Board
For PBm Polytex Limited
(**GOPAL PATODIA**)
Managing Director
(DIN : 00014247)

Place: Petlad
Date : 13.08.2019

DIRECTORS' REPORT

To,
The Members,

Your Directors have pleasure in presenting the Hundredth Annual Report of the Company together with the Audited Standalone and Consolidated Statements of Accounts for the financial year ended 31st March, 2019.

1. FINANCIAL HIGHLIGHTS:

(Rs. in Lakhs)

Particulars	2018 – 19	2017 – 18
Earnings Before Interest, Depreciation and Tax (EBIDITA)	1147.92	1053.56
<u>Less:-</u> Interest and Financial Charges	99.03	78.21
Gross Profit	1048.89	975.35
<u>Less:-</u> Depreciation	340.74	343.62
Profit Before Tax	708.15	631.73
<u>Less:-</u> Provision for Taxation	370.00	226.36
	338.15	405.37
<u>Add:-</u> Deferred Tax Asset	118.72	308.50
Profit After Tax (PAT)	456.87	713.87
<u>Add:-</u> Other Comprehensive Income	37.66	78.22
Total Comprehensive Income for the year	494.53	792.09
<u>Add:-</u> Surplus brought forward	2592.32	2293.75
Amount available for Appropriation	3086.85	3085.84
<u>Less:- Appropriation:-</u>		
General Reserve	150.00	200.00
Dividend	284.52	243.87
Corporate Dividend Tax	58.48	49.65
Total Appropriation	493.00	493.52
Balance carried to Balance Sheet	2593.85	2592.32

2. DIVIDEND

Your Directors are pleased to recommend Dividend @6% (i. e. Rs. 0.60 per Equity Share) on the Paid Up Equity Share Capital of the Company for the financial year ended 31st March, 2019 (i.e. on 68,79,020 equity shares of Rs. 10 each after reducing the number of shares bought back in May, 2019). It will absorb Rs. 49.76 lakhs including Dividend Distribution Tax of Rs. 8.49 lakhs.

3. TRANSFER TO RESERVES

Your Directors have decided to transfer Rs. 150.00 lakhs to General Reserve for the year under review.

4. CHANGE IN THE NATURE OF BUSINESS

There was no change in the nature of business of the Company during the financial year 2018-19.

5. BUSINESS OPERATIONS / STATE OF COMPANY'S AFFAIRS

The year under review was throughout full of problems for the Company, as well as, the Textile industry in the country as a whole. On the one hand, the cotton prices went up continuously and on the other hand, the yarn market was unfavorable throughout the year. There was continuous decline in exports of cotton yarn. China, which is the largest importer of Cotton Yarn, shifted from India to other countries as they have duty free access whereas the Indian yarn carries 3.5% import duty. Fall in Indian Cotton Yarn exports impacted the whole value chain from farmers, spinners to weavers / knitters.

Reduction in exports increased inventory of finished goods with the Spinning Units which not only added to reduction in sale price but also has come to the stage that many Spinning Units have been forced to cut their production. Rupee becoming strong against dollar also reduced export sale realization.

The financial results of the Company for the current year are not encouraging on account of the above facts. The management has made its best efforts to keep the cost of production / expenses down to the extent possible and could manage not allowing the stocks of yarn mount by remaining in continuous touch with the yarn market.

It is to be stated that even in such conditions, the Directors have recommended dividend to share the profits.

Post March, 2019 period also does not seem encouraging. The Spinning Units are further cutting down production. However, the management hopes to stand with the situation in case the situations improve.

6. INDEPENDENT DIRECTORS' DECLARATION

All the Independent Directors of the Company have given their declarations that they meet the criteria of Independence as prescribed under section 149 (6) of the Companies Act, 2013 ("the Act").

7. DIRECTORS

During the year, consent of shareholders has been obtained by way of Special Resolutions through Postal Ballot cum e-voting for continuation of directorships of Shri Hari Prasad Siotia (DIN : 00015103), Shri Makhanlal Bagaria (DIN : 01213323) and Shri Ashok Pandit (DIN : 08132980) who have attained the age of 75 years till the expiry of their existing terms in accordance with the amendments made by SEBI in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").

The Members have also passed Special Resolution through Postal Ballot cum e-voting for reappointment of Shri Jugalkishore Todi as an Independent Director (DIN : 00598697) of the Company for the second term of 5 consecutive years w.e.f. August 02, 2019.

In accordance with the provisions of Section 152 of the Act and Articles of Association of the Company, Shri Krishan Kumar Patodia and Shri Gopal Patodia, retire by rotation at the ensuing Annual General Meeting ("AGM") of the Company and being eligible, offer themselves for re-appointment.

The Board recommends the continuation of directorship of Shri Krishan Kumar Patodia (DIN : 00027335), who will attain the age of 75 years on 25th May, 2020. The consent of the shareholders, by way of Special Resolution, has been sought through an agenda in the notice of the ensuing AGM.

Subject to the approval of members at the ensuing AGM, the Board of Directors at its meeting held on 29th May, 2019, on recommendations of the Nomination and Remuneration Committee, has proposed to re-appoint Smt. Vinita Devi Modi (DIN : 06965473) and Shri Makhanlal Bagaria (DIN : 01213323) as Independent Directors of the Company w.e.f. 20th September, 2019 and 9th February, 2020 respectively for a further period of 5 consecutive years.

The Board has appointed Shri Rakesh Todi (DIN : 08476512), as an Additional Director on 13th August, 2019 in the category of Independent Director on our Board who holds office upto the conclusion of the 100th AGM of the Company. The Board recommends to the shareholders for his appointment as such at the ensuing AGM for a consecutive period of five years with effect from 13th August, 2019.

None of these Directors are disqualified under Section 164(2) of the Act. Your directors recommend their appointment / re-appointments at the ensuing AGM.

8. KEY MANAGERIAL PERSONNEL

Pursuant to the provisions of Sections 2(51) and 203 of the Act read with Rule 8 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the following persons are acting as Key Managerial Personnel of the Company:-

- | | | | |
|------|--------------------------|---|---|
| i. | Shri Gopal Patodia | : | Managing Director |
| ii. | Shri Mohan Kumar Patodia | : | Managing Director cum Chief Financial Officer |
| iii. | Shri Amit Patodia | : | Senior President cum Chief Executive Officer |
| iv. | Shri Mukesh Prajapat | : | Assistant Company Secretary |

9. FORMAL ANNUAL EVALUATION

Pursuant to the provisions of Section 134(3)(p) the Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has carried out an annual performance evaluation of its own performance, Board's Committees, as well as, Directors individually including performance of Independent Directors, after seeking inputs from all the Directors/Committee members and finds it satisfactory.

10. BOARD MEETINGS

The details of Board Meetings are disclosed in Corporate Governance Report appended to Directors' Report. The Board of Directors have met seven times during the financial year 2018 – 19.

11. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the Provisions of Section 134(3)(c) of the Act, your Directors confirm that –

1. in the preparation of annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
2. the accounting policies adopted are consistently applied 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 the said period;
3. proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of this Act, for safeguarding the assets of the Company and for preventing & detecting errors & frauds and other irregularities;
4. annual accounts have been prepared on a going concern basis;
5. internal financial controls (as required by explanation to section 134(5)(e) of the Act) is being followed by the Company and that such internal financial controls are adequate and were operating effectively;
6. proper systems have been devised to ensure compliance with all other applicable laws and that such systems are adequate and operating effectively.

12. SHARE CAPITAL

The Issued Equity Share Capital of the Company as on 31st March, 2019 was Rs. 813.00 lakhs and Paid Up Equity Share Capital was Rs. 812.96 lakhs. During the year under review, the Company has not issued any shares.

The Board of Directors of the Company had, vide resolution dated February 11, 2019, decided to cancel 980 Forfeited Equity Shares (already forfeited vide Board Resolution dated January 31, 2005) from the records of the ROC and BSE Ltd. and accordingly, pursuant to the BSE Notice of Forfeiture bearing no. 20190508-45 dtd. 08.05.2019, the Company has cancelled the 980 Forfeited Equity Shares by complying required procedures and compliances.

13. BUY BACK OF EQUITY SHARES

Pursuant to the approval of the SEBI, the Company has bought back its 12,50,000 equity shares of Rs. 10 each @ Rs. 80 per share at an aggregate value of Rs. 10,00,00,000/- which represents 8.96% and 9.99% of the total paid-up equity share capital and free reserves (including securities premium account) as per the audited standalone financial statements and audited consolidated financial statements of the Company as on March 31, 2018 respectively. The shares so bought back were extinguished on 14th May, 2019 reducing the Paid up Share Capital of the Company to Rs. 6,87,90,200/- (i.e. 68,79,020 shares of Rs. 10 each).

14. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186 OF THE ACT

The Company has not given any loans or guarantees to any party. Investments of Rs. 2850.74 lakhs have been made in different Mutual Funds. All the details of the investments are exhibited in Note Nos. 4 and 9 of Balance Sheets and the same are within the limits prescribed under section 186 of the Act.

15. INDUSTRIAL RELATIONS

During the year under review, the Industrial relations remained cordial at both the Petlad and Borgaon Units of the Company.

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

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013. Internal Complaints Committee ("Committee") has been set up to redress complaints received regarding sexual harassment. During the year, no complaints of this nature were received by the Committee.

17. PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

The information required pursuant to section 197 (12) of the Act read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of the employees of the Company is given in **Annexure "A"**.

A statement comprising the names of top ten employees in terms of remuneration drawn is not being sent along with this Annual Report to the Members of the Company in line with the provision of Section 136 of the Companies Act, 2013. The aforesaid Statement is available for inspection by the Shareholders at the Registered Office of the Company, 21 days before and up to the date of 100th Annual General Meeting during business hours on all working days of the Company.

18. SUBSIDIARY AND ASSOCIATE COMPANIES

The Company does not have any Subsidiary Company.

The Company holds 22,31,980 Equity Shares of Rs. 10/- per share and also 46,00,000 6% Non-Cumulative Non-Convertible Redeemable Preference Shares of Rs. 10/- per share of M/s Eurotex Industries and Exports Limited (CIN : L70200MH1987PLC042598) having its registered office at 809 – Raheja Chambers, 8th Floor, 213 – Nariman Point, Mumbai and Spinning Unit at Kolhapur. Form AOC – 1 as required under section 129(3) of the Act is attached as **Annexure "A(1)"**.

M/s. Eurotex Industries and Exports Limited is an Associate Company of our Company under section 2(6) of the Act by virtue of our Company's holding at 25.5087% in that company. We hold 22,31,980 equity shares of that company at cost of Rs. 545.91 lakhs.

In pursuance of section 129 of the Act, Consolidation of Financial Statements of the Company has been done and accordingly, the share of our Company in Reserves and Surplus of the Associate Company upto the period 31.03.2014 has been exhibited under the head "Reserves and Surplus" as Capital Reserves, and the financial results for the financial years 2017 – 18 and 2018 – 19 have been incorporated in Consolidated Statement of Profit and Loss. The corresponding effect of the above has been given in the value of shares of the Associate Company held by us and as shown under Note No. 4 of Consolidated Balance Sheet as Investments (Non – Current).

19. RELATED PARTY TRANSACTIONS

All Related Party Transactions that were entered into during the financial year were at Arm's Length basis and were in ordinary course of business. No materially significant related party transactions were done by the Company with Promoters, Directors, Key Managerial Personnel, other designated persons or other related parties, which may have potential conflict with the interest of the Company at large.

All related party transactions were placed before the Audit Committee and approved by the said Committee and the Board also accorded its consent thereto.

The Policy on Related Party Transactions has been uploaded on the Company's Website, web-link of which is <http://pbmpolytex.com/wp-content/uploads/2015/12/Policy-on-Related-Party-Transactions.pdf>. Form AOC – 2 as required under section 134 (3) (h) of the Act read with rule 8(2) of the Companies (Accounts) Rules, 2014 is attached as **Annexure "A(2)"**.

20. DISCLOSURE ON CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

In terms of Sub-section 3(m) of Section 134 of the Act read with Rule 12(1) of the Companies (Management and Administration) Rules, 2014, particulars relating to conservation of energy, technology absorption, foreign exchange earnings and outgo are given in **Annexure "B"** forming part of this report.

21. ANNUAL RETURN AND EXTRACT OF ANNUAL RETURN

As per provisions of Section 92 of the Companies Act, 2013 read with Rules made thereunder, a draft Annual Return of the Company for the financial year 2018-19 in the form MGT-7 is available on the website of the Company, web-link of which is <http://pbmpolytex.com/wp-content/uploads/2019/08/Draft-Annual-Return-for-FY-2018-19.pdf> and the Extract of Annual Return in the form MGT-9 has been annexed to this Report as **Annexure – "C"**.

22. CORPORATE SOCIAL RESPONSIBILITY (“CSR”) POLICY

The details in respect of CSR Committee and separate report on CSR activities, forming part of the Directors’ Report, is attached as **Annexure “D”**. The CSR Policy has been placed on the Company’s website www.pbmpolytex.com.

23. VIGIL MECHANISM / WHISTLE BLOWER POLICY

Your Company has a well-defined Whistle Blower Policy and has established Vigil Mechanism which provides adequate safeguards against victimisation of Reporting persons who follow such mechanism and also make provisions for direct access to the Chairman of Audit Committee in appropriate cases. The Vigil Mechanism / Whistle Blower Policy has been placed on the Company’s website www.pbmpolytex.com.

24. POLICY ON NOMINATION AND REMUNERATION

In compliance with the requirements of Section 178 of the Companies Act, 2013 and Regulation 19 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has laid down a Nomination and Remuneration policy which has been uploaded on the Company’s website. The web-link for Nomination & Remuneration Policy is <http://pbmpolytex.com/wp-content/uploads/2018/05/Nomination-and-Remuneration-Policy.pdf>

The salient features of the NRC Policy are as under:-

- a.) Setting out the objectives of the Policy
- b.) Definitions for the purposes of the Policy
- c.) Policy for appointment and removal of Director, KMP and Senior Management
- d.) Policy relating to the Remuneration for the Managerial Personnel, KMP, Senior Management Personnel & other employees

During the year, the Company has made changes in the policy to bring them in line with the amendments in the SEBI Listing Regulations, 2015.

25. RISK MANAGEMENT POLICY

The Company has a structured Risk Management Policy. The Risk Management Process is designed to safeguard the organization from various risks through adequate and timely actions. It is designed to anticipate, evaluate and mitigate risks in order to minimize its impact on the business. The potential risks are inventoried and integrated with the management process so that they receive the necessary consideration during decision making. It is dealt with in greater details in the management discussion and analysis section.

26. COMMITTEES OF THE BOARD

The Company has already formed the following committees to ensure timely compliances and better corporate governance of all the applicable rules and regulations: 1) Audit Committee, 2) Nomination & Remuneration Committee and 3) Stakeholders Relationship Committee. The details about these committees are given in the Corporate Governance Report.

27. INSURANCE

All the properties of the Company including plant and machinery, stocks etc. have been adequately insured. The Company has also taken adequate insurance cover for loss of profit and Standing Charges.

28. AUDITORS

A. Statutory Auditors

In compliance with the Companies (Audit and Auditors) Rules, 2014, the Members, at the 98th Annual General Meeting (“AGM”) of the Company, have appointed M/s. Chandulal M. Shah & Co., Chartered Accountants (FRN: 101698W), Ahmedabad, as Statutory Auditors of the Company, for a consecutive period of 5 (five) years from the conclusion of 98th AGM till the conclusion of the 103rd AGM.

B. Secretarial Auditors

Pursuant to the provisions of section 204 of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s. Samdani Shah and Kabra, a firm of Practicing Company Secretaries, Vadodara, as Secretarial Auditors for the financial year 2019 – 20 to undertake Secretarial Audit of the Company. The Secretarial Audit Report for the financial year 2018 – 19 is annexed herewith as **Annexure “E”**.

C. Cost Auditor

Shri B. C. Desai, the Cost Accountant (Membership No. M-1077), Ahmedabad has been appointed as Cost Auditor to audit cost records and statements of the Company for the financial year 2019 – 20. His proposed remuneration for the said financial year, as stated in the notice of the ensuing Annual General Meeting, is to be confirmed by the shareholders as required under section 148 of the Act.

D. Internal Auditors

M/s. Madanlal Sharma & Co. Chartered Accountants and M/s. Shah Baheti Chandak & Co., Chartered Accountants have been appointed as Internal Auditors for conducting internal audit of Petlad and Borgaon Units of the Company respectively for the financial year 2019 – 20.

Explanation or Comments on disqualifications, reservations, adverse remarks or disclaimers in the Auditors’ Reports;

No disqualifications, reservations, adverse remarks or disclaimers have been reported in the Auditors’ Reports, requiring any explanation or comments by the Board of Directors of the Company.

29. REPORT ON CORPORATE GOVERNANCE AND MANAGEMENT DISCUSSIONS & ANALYSIS REPORT

The Company has complied with all the applicable requirements of Corporate Governance as stipulated in Regulations 17 to 27 and clauses (b) to (i) of Sub-Regulation (2) of Regulation 46 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. A Separate Report on Corporate Governance and a Certificate obtained from M/s. Samdani Shah & Kabra, Practicing Company Secretaries, regarding compliance with the conditions of Corporate Governance and Management Discussions & Analysis Report are annexed herewith with as **Annexure "F"** which forms part of this Report.

30. MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY

No material changes and commitments affecting the financial position of the Company have occurred during the financial year and upto the date of this Report.

31. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE

No significant and/or material orders were passed by any Regulator or Court or Tribunal impacting the going concern status and the Company's operations in future.

32. INTERNAL CONTROL SYSTEMS

The Company has adequate internal control systems, commensurate with the size and scale of the Company. Internal Auditors have been appointed for Petlad, as well as, Borgaon units of the Company who submit their periodical reports to the Board and their advices are adopted and needful is done, if required for better control.

33. UNCLAIMED EQUITY SHARES AND DIVIDEND

Pursuant to the provisions of Section 124 of the Companies Act, 2013 ("the said Act"), the declared dividends which remain unpaid or unclaimed for a period of seven years have been duly transferred by the Company to the Investor Education and Protection Fund ("IEPF") established by the Central Government under Section 125 of the said Act.

The Company has uploaded the details of unpaid and unclaimed amounts lying with the Company as on 18th September, 2018 (date of the last Annual General Meeting) on the Company's website (www.pbmpolytex.com) and also on the Ministry of Corporate Affairs' website: www.mca.gov.in.

The dividend for the undernoted years, if unclaimed for seven years, will be transferred by the Company to IEPF:-

Financial Year	Date of Declaration of Dividend	Unclaimed Dividend as on 31.03.2019 (Rs.)
2011-12	22.09.2012	4,19,292.00
2012-13	27.07.2013	3,79,026.00
2013-14	21.08.2014	5,57,973.00
2014-15	24.09.2015	13,65,930.00
2015-16	24.09.2016	7,14,258.00
2016-17	25.09.2017	7,60,632.00
2017-18	18.09.2018	5,95,459.00

Pursuant to the provision of Section 124 (6) read with Rule 6 of Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (the "IEPF Rules") as amended, all shares in respect of which dividend has/have remained unpaid or unclaimed for consecutive seven years, the corresponding shares shall also be transferred in the name of IEPF Authority.

19,101 equity shares against 112 folios corresponding to the dividend for the financial year ended 31st March, 2011 which remained unclaimed for seven consecutive years have been transferred to the IEPF Authority after giving individual notice to concerned shareholders and advertisement in Newspapers.

The Company has uploaded the details of all shares transferred to the IEPF Authority on the Company's website (www.pbmpolytex.com) and also on the Ministry of Corporate Affairs' website: www.mca.gov.in.

34. SECRETARIAL STANDARDS

All the applicable Secretarial Standards are being followed by the Company.

35. DEPOSITS

The Company has not accepted or continued any public deposits as contemplated under section 73 of the Act and the Companies (Acceptance of Deposits) Rules, 2014.

36. ACKNOWLEDGEMENTS

The bankers and financial institutions have extended their full cooperation, support and valuable assistance to the Company. Your Directors place on record their appreciation for the same.

For PBM POLYTEX LIMITED

Place: Vadodara
Date: 13.08.2019

KRISHAN KUMAR PATODIA
Chairman (DIN : 00027335)

ANNEXURE “A” TO THE DIRECTORS’ REPORT

Disclosure under Section 197(12) of the Act and Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

1. Ratio of the remuneration of each Executive Director to the median remuneration of the Employees of the Company for the financial year 2018 – 19, the percentage increase in remuneration of each director, Chief Executive Officer and Chief Financial Officer during the financial year 2018 – 19:

Sl. No.	Name of Director / Key Managerial Personnel	Designation	Ratio of remuneration of each Director to median remuneration of Employees	Percentage increase in Remuneration during 2018-19(%)
1.	Shri Gopal Patodia	Managing Director	41.87	19.82
2.	Shri Mohan Kumar Patodia	Managing Director cum CFO	31.11	9.29
3.	Shri Amit Patodia	Chief Executive Officer	N. A.	22.80
4.	Shri Mukesh Prajapat	Asst. Company Secretary	N. A.	1.00

Note :

- The Non-Executive Directors of the Company are entitled to sitting fees for meetings attended as per the statutory provisions. The details of remuneration of Non-Executive Directors have been exhibited in the Corporate Governance Report and is governed by the Nomination and Remuneration Policy. The ratio of remuneration and percentage increase for Non-Executive Directors’ Remuneration is therefore, not considered for the above purpose.
 - Percentage increase in remuneration indicates annual target total compensation increases, as approved by the Nomination & Remuneration Committee of the Company during the financial year 2018 – 19.
2. The percentage increase in the median remuneration of Employees for the financial year was 6.11%.
3. The Company has 1005 permanent Employees on the rolls of Company as on 31st March, 2019.
4. It is hereby affirmed that the remuneration paid during the year is as per the Nomination and Remuneration Policy of the Company.

Disclosure under Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended from time to time:

- None of the employee was employed throughout the year who was in receipt of remuneration of more than Rs. 102.00 lakhs per annum.
- None of the employee was employed for part of the year who was in receipt of remuneration of more than Rs. 8.50 lakhs per month.
- No employee was in receipt of remuneration in the financial year which, in aggregate, or as the case may be, was at a rate which, in aggregate, is in excess of that drawn by the Managing Director and holds by himself or along with his spouse and dependent children, two percent of the equity shares of the Company.

For PBM POLYTEX LIMITED

KRISHAN KUMAR PATODIA
Chairman
(DIN : 00027335)

Place: Vadodara
Date : 13.08.2019

ANNEXURE “A(1)” TO THE DIRECTORS’ REPORT

Form AOC-I

Part “B”: Associates and Joint Ventures

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

	Name of Associate	M/s Eurotex Industries and Exports Ltd
1.	Latest audited Balance Sheet Date	31.03.2019
2.	Shares of Associate held by the Company on the year end	
	A. No. of Equity Shares	22,31,980
	Amount of Investment in Associate (Rs. in Lakhs)	545.91
	Extent of Holding (%)	25.5087
	B. No. of 6% Non-Convertible Non-Cumulative Redeemable Preference Shares	46,00,000
	Amount of Investment in Associate (Rs. in Lakhs)	460.00
3.	Description of how there is significant influence	By virtue of 25.5087% shareholding
4.	Reason why the Associate is not consolidated	Results of Associate Company is consolidated.
5.	Net worth attributable to Shareholding as per latest audited Balance Sheet (Rs. in Lakhs)	596.90
6.	Profit / (Loss) for the year	
	i. Considered in Consolidation (Rs. in Lakhs)	(445.70)
	ii. Not Considered in Consolidation (Rs. in Lakhs)	0

1. Names of associates or joint ventures which are yet to commence operations:

Not applicable.

2. Names of associates or joint ventures which have been liquidated or sold during the year:

Not applicable.

NOTE:

1. AOC – 1 Part A “Subsidiaries” is not applicable as the Company does not have any subsidiary.

For PBM POLYTEX LIMITED

Place: Vadodara
Date : 13.08.2019

KRISHAN KUMAR PATODIA
Chairman
(DIN : 00027335)

ANNEXURE “A(2)” TO THE DIRECTORS’ REPORT

Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act 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:

There was no related party transaction which was not at arm’s length basis.

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

No material contracts or arrangement or transactions have been done by the Company during the year.

For PBM POLYTEX LIMITED

Place: Vadodara
Date : 13.08.2019

KRISHAN KUMAR PATODIA
Chairman
(DIN : 00027335)

ANNEXURE “B” TO THE DIRECTORS’ REPORT

ADDITIONAL INFORMATION AS REQUIRED UNDER SUB-SECTION 3 (M) OF SECTION 134 OF THE ACT AND RULE 8 OF THE COMPANIES (ACCOUNTS) RULES, 2014

(A) CONSERVATION OF ENERGY:

(i) Steps taken or impact on conservation of energy:

Full attention is given for energy conservation at all levels, thereby energy consumption is at optimum level.

(ii) Steps taken by the Company for utilizing alternate sources of energy:

The Company has not adopted any alternate source of energy except purchasing the same from State Electricity Board and open Market.

(iii) The capital investment on energy conservation equipments:

The expenditure on energy conservation equipments is shown under the head “Additions to Electrical installations”.

(B) TECHNOLOGY ABSORPTION:

(i) Efforts made towards technology absorption:

Company’s Quality Assurance Department is equipped with instruments of latest technology by which various tests of quality of raw material and finished product are conducted.

(ii) The benefits derived like product improvement, cost reduction, product development or import substitution:

The power consumption in terms of units and amount is quite satisfactory and within norms.

(iii) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year):-

Not Applicable

(iv) Expenditure incurred on Research and Development:

Expenditure on In-House R & D has been included in the respective heads of expenses in Statements of Profit and Loss and no separate account is maintained.

(C) Foreign Exchange Earning in terms of actual Inflows and actual Outflows:

(Rs. in Lakhs)

Particulars	2018 – 19	2017 – 18
Foreign Exchange outgo in terms of Actual Outflows	150.54	141.34
Foreign Exchange earned in terms of Actual Inflows	7051.80	4867.10

For PBM POLYTEX LIMITED

KRISHAN KUMAR PATODIA

Chairman

(DIN : 00027335)

Place: Vadodara
Date : 13.08.2019

ANNEXURE “C” TO THE DIRECTORS’ REPORT

EXTRACT OF ANNUAL RETURN

as on the financial year ended 31st March, 2019

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

Form No. MGT – 9

I. REGISTRATION AND OTHER DETAILS

CIN	L17110GJ1919PLC000495
Registration Date	24.11.1919
Name of the Company	PBM POLYTEX LIMITED
Category / Sub-Category of the Company	Public Company Limited by Shares
Address of Registered Office and Contact details	Opposite Railway Station, Petlad, Dist. Anand, Gujarat – 388450
Whether listed company	Yes
Name, Address and Contact details of Registrar and Transfer Agent, if any	M/s Link Intime India Pvt. Ltd. having its registered office at C – 101, 247 Park, LBS Marg, Vikhroli (West), Mumbai - 400083. Contact Person:-Mr. Alpesh Gandhi Tel Nos. 0265-2356573, 2356794, Fax No. 0265-2356791 vadodara@linkintime.co.in

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

Company is engaged mainly in the business of manufacturing and processing of Yarn. It also generates electricity at Wind Mills, the turnover of which is less than 10 % of the total turnover of the Company.

Sl. No.	Name and Description of main products	NIC Code of the Product	% to total turnover of the Company
1.	Cotton Yarn	2636/2635000	95.42

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl. No.	Name and Address of the company	CIN	Holding/ Subsidiary / Associate	% of Shares Held	Applicable Section
1.	M/s Eurotex Industries and Exports Limited	L70200MH1987PLC042598	Associate	25.51	2 (6)

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

(i) Category-wise Share Holding:

Category of Shareholder		No. of Shares held at the beginning of the year (01.04.2018)				No. of Shares held at the end of the year (31.03.2019)				% of change during the year
		Demat	Physical	Total	% of total Shares	Demat	Physical	Total	% of total Shares	
(A)	Promoters									
1	Indian									
(a)	Individuals/ HUF	1928887	--	1928887	23.73	1928887	--	1928887	23.73	--
(b)	Central Government	--	--	--	--	--	--	--	--	--
(c)	State Government (s)	--	--	--	--	--	--	--	--	--
(d)	Bodies Corporate	4008052	--	4008052	49.30	4008052	--	4008052	49.30	--
(e)	Banks / FI	--	--	--	--	--	--	--	--	--
(f)	Any Others	--	--	--	--	--	--	--	--	--
	Sub Total(A)(1)	5936939	--	5936939	73.03	5936939	--	5936939	73.03	--
2	Foreign									
(a)	NRIs – Individuals	92168	--	92168	1.13	92168	--	92168	1.13	--
(b)	Other – Individual	--	--	--	--	--	--	--	--	--
(c)	Bodies Corporate	--	--	--	--	--	--	--	--	--
(d)	Banks / FI	--	--	--	--	--	--	--	--	--
(e)	Any Others	--	--	--	--	--	--	--	--	--
	Sub Total(A)(2)	92168	--	92168	1.13	92168	--	92168	1.13	--
	Total Shareholding of Promoter (A)= (A)(1)+(A)(2)	6029107	--	6029107	74.16	6029107	--	6029107	74.16	--
(B)	Public Shareholding									
1	Institutions									
(a)	Mutual Funds	--	--	--	--	--	--	--	--	--
(b)	Banks / FI	--	300	300	0.00	--	300	300	0.00	--
(c)	Central Government	500	--	500	0.00	--	--	--	--	0.00
(d)	State Government(s)	--	--	--	--	--	--	--	--	--
(e)	Venture Capital Funds	--	--	--	--	--	--	--	--	--
(f)	Insurance Companies	--	--	--	--	--	--	--	--	--
(g)	FIs	--	--	--	--	--	--	--	--	--
(h)	Foreign Venture Capital Funds / Investors	--	--	--	--	--	--	--	--	--
(i)	Other (specify)	--	--	--	--	--	--	--	--	--
	Sub-Total (B)(1)	500	300	800	0.01	--	300	300	0.00	(0.01)
2	Non-Institutions									
(a)	Bodies Corporate									
	i Indian	74545	980	75525	0.93	73846	980	74826	0.92	(0.01)
	ii Overseas	--	--	--	--	--	--	--	--	--
(b)	Individuals									
	i Individual shareholders holding nominal share capital up to Rs 1 lakh	842619	278604	1121223	13.79	868991	238538	1107529	13.62	(0.17)
	ii. Individual shareholders holding nominal share capital in excess of Rs. 1 lakh.	638771	75883	714654	8.79	663160	53483	716643	8.81	0.02

(c)	Any Other									
i	HUF	73790	--	73790	0.91	72267	0	72267	0.89	(0.02)
ii	Non Resident (Repatriates)	6033	5669	11702	0.14	7178	4119	11297	0.14	--
iii	Non Resident (Non-Repatriates)	2400	400	2800	0.03	2802	300	3102	0.04	0.01
iv	Clearing Member	8523	--	8523	0.10	3952	0	3952	0.05	(0.05)
v	Investors Education and Protection Fund ("IEPF") Authority	91876	--	91876	1.13	110977	0	110977	1.37	0.24
	Sub-Total (B)(2)	1738557	361536	2100093	25.83	1803173	297420	2100593	25.84	0.01
	Total Public Shareholding (B)= (B)(1)+(B)(2)	1739057	361836	2100893	25.84	1803173	297720	2100893	25.84	--
(C)	Shares held by Custodians for GDRs & ADRs	--	--	--	--	--	--	--	--	--
	GRAND TOTAL (A)+(B)+(C)	7768164	361836	8130000	100.00	7832280	297720	8130000	100.00	--

(ii) Shareholding of Promoters:

Sr No	Shareholder's Name	Shareholding at the beginning of the year (01.04.2018)			Shareholding at the end of the year (31.03.2019)			% change in shareholding during the year
		No. of shares held	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	No. of shares held	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	
1	Eurotex Industries and Exports Limited	1582347	19.46	19.46	1582347	19.46	19.46	0.00
2	Sambhu Investments Pvt. Ltd.	779320	9.59	9.59	779320	9.59	9.59	0.00
3	Patodia Syntex Limited	712957	8.77	8.77	712957	8.77	8.77	0.00
4	Trikon Investments Pvt. Ltd.	557834	6.86	6.86	557834	6.86	6.86	0.00
5	Rajiv Agencies Private Limited	222848	2.74	2.74	222848	2.74	2.74	0.00
6	Manju Patodia	216744	2.67	2.67	216744	2.67	2.67	0.00
7	Madhu Patodia	212594	2.61	2.61	212594	2.61	2.61	0.00
8	Rani Krishan Kumar Patodia	210511	2.59	2.59	210511	2.59	2.59	0.00
9	Hari Prasad Siotia	199280	2.45	2.45	199280	2.45	2.45	0.00
10	Anita Patodia	148194	1.82	1.82	148194	1.82	1.82	0.00
11	Nandini Narayan Patodia	148194	1.82	1.82	148194	1.82	1.82	0.00
12	Krishan Kumar Patodia	141028	1.73	1.73	141028	1.73	1.73	0.00
13	Shashank Investments Private Limited	89512	1.10	1.10	89512	1.10	1.10	0.00
14	Amit Patodia	78980	0.97	0.97	78980	0.97	0.97	0.00
15	Shakuntala Devi Patodia	74386	0.91	0.91	74386	0.91	0.91	0.00
16	Siddharth Krishan Kumar Patodia	69007	0.85	0.85	69007	0.85	0.85	0.00
17	Narayan Patodia	68849	0.85	0.85	68849	0.85	0.85	0.00
18	Mohan Kumar Patodia	67998	0.84	0.84	67998	0.84	0.84	0.00
19	Aditi Jussawalla	63467	0.78	0.78	63467	0.78	0.78	0.00
20	Priya Gopal Patodia	56553	0.70	0.70	56553	0.70	0.70	0.00
21	Chandramauli Investments Pvt. Ltd.	56314	0.69	0.69	56314	0.69	0.69	0.00
22	Vikash Patodia	49518	0.61	0.61	49518	0.61	0.61	0.00
23	Yashvardhan Patodia	47173	0.58	0.58	47173	0.58	0.58	0.00
24	Kirti Patodia	47173	0.58	0.58	47173	0.58	0.58	0.00
25	Deven Patodia	45917	0.56	0.56	45917	0.56	0.56	0.00
26	Gaurav Narayan Patodia	44995	0.55	0.55	44995	0.55	0.55	0.00
27	Gopal Patodia	27369	0.34	0.34	27369	0.34	0.34	0.00
28	Thrust Investment and Management Consultants Pvt. Ltd.	6473	0.08	0.08	6473	0.08	0.08	0.00
29	Shailja Patodia	3125	0.04	0.04	3125	0.04	0.04	0.00
30	Maharashtra Fibres and Syntex Limited	447	0.01	0.01	447	0.01	0.01	0.00
	Total	6029107	74.16	74.16	6029107	74.16	74.16	0.00

(iii) Change in Promoters' Shareholding:

Sr No.	Name & Type of Transaction	Shareholding at the beginning of the year (01.04.2018)		Transactions during the year		Cumulative Shareholding at the end of the year (31.03.2019)	
		NO. OF SHARES HELD	% OF TOTAL SHARES OF THE COMPANY	DATE OF TRANSACTION	NO. OF SHARES	NO OF SHARES HELD	% OF TOTAL SHARES OF THE COMPANY
NIL							

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

Sr No.	Name & Type of Transaction	Shareholding at the beginning of the year (01.04.2018)		Transactions during the year		Cumulative Shareholding at the end of the year (31.03.2019)	
		NO.OF SHARES HELD	% OF TOTAL SHARES OF THE COMPANY	DATE OF TRANSACTION	NO. OF SHARES	NO OF SHARES HELD	% OF TOTAL SHARES OF THE COMPANY
1	Santosh Sitaram Goenka	123854	1.52			123854	1.52
	Transfer			31.08.2018	(1070)	122784	1.51
	Transfer			29.09.2018	500	123284	1.52
	Transfer			02.11.2018	30	123314	1.52
	At the end of the year					123314	1.52
2	Investor Education And Protection Fund Authority Ministry Of Corporate Affairs	91876	1.13			0	0.00
	Transfer			23.11.2018	19101	110977	1.36
	At the end of the year					110977	1.36
3	Subramanian P	100717	1.24			100717	1.24
	At the end of the year					100717	1.24
4	Sunita Santosh Goenka	77180	0.95			77180	0.95
	At the end of the year					77180	0.95
5	Muktilal Ganulal Paldiwal	43856	0.54			43856	0.54
	Transfer			08.03.2019	300	44156	0.54
	Transfer			22.03.2019	500	44656	0.55
	At the end of the year					44656	0.55
6	Supriya Punit Agarwal	41814	0.51			41814	0.51
	Transfer			31.08.2018	(799)	41015	0.50
	Transfer			05.10.2018	215	41230	0.51
	At the end of the year					41230	0.51
7	Manishkumar Sumatilal Mehta	28257	0.35			28257	0.35
	At the end of the year					28257	0.35
8	Aditya Aggarwal	22270	0.27			22270	0.27
	Transfer			06.04.2018	600	22870	0.28
	At the end of the year					22870	0.28
9	Rajeev Aggarwal	27817	0.34			27817	0.34
	Transfer			06.04.2018	575	28392	0.35
	Transfer			13.04.2018	222	28614	0.35
	Transfer			11.05.2018	(4591)	24023	0.30
	Transfer			18.05.2018	674	24697	0.30
	Transfer			01.06.2018	(26)	24671	0.30
	Transfer			06.07.2018	41	24712	0.30
	Transfer			14.09.2018	84	24796	0.30
	Transfer			21.09.2018	316	25112	0.31
	Transfer			05.10.2018	(301)	24811	0.31
	Transfer			02.11.2018	50	24861	0.31
	Transfer			09.11.2018	20	24881	0.31
	Transfer			16.11.2018	245	25126	0.31
	Transfer			23.11.2018	(390)	24736	0.30
	Transfer			30.11.2018	45	24781	0.30
	Transfer			07.12.2018	74	24855	0.31
	Transfer			14.12.2018	294	25149	0.31
	Transfer			21.12.2018	145	25294	0.31
	Transfer			31.12.2018	50	25344	0.31

	Transfer			04.01.2019	35	25379	0.31
	Transfer			11.01.2019	450	25829	0.32
	Transfer			18.01.2019	136	25965	0.32
	Transfer			25.01.2019	(85)	25880	0.32
	Transfer			01.02.2019	(1080)	24800	0.31
	Transfer			08.02.2019	(2607)	22193	0.27
	Transfer			15.02.2019	(453)	21740	0.27
	Transfer			22.02.2019	1685	23425	0.29
	Transfer			01.03.2019	225	23650	0.29
	Transfer			08.03.2019	(300)	23350	0.29
	Transfer			15.03.2019	(734)	22616	0.28
	Transfer			22.03.2019	(81)	22535	0.28
	Transfer			29.03.2019	(100)	22435	0.28
	Transfer			31.03.2019	141	22576	0.28
	At the end of the year					22576	0.28
10	Manish Laxmanprasad Todi	22400	0.28			22400	0.28
	At the end of the year					22400	0.28
11	Nareshkumar Saraf	24900	0.31			24900	0.31
	Transfer			13.07.2018	(675)	24225	0.30
	Transfer			27.07.2018	(805)	23420	0.29
	Transfer			03.08.2018	(251)	23169	0.28
	Transfer			29.09.2018	(10944)	12225	0.15
	Transfer			12.10.2018	(4129)	8096	0.10
	Transfer			26.10.2018	(757)	7339	0.09
	Transfer			09.11.2018	(1430)	5909	0.07
	Transfer			16.11.2018	(909)	5000	0.06
	Transfer			08.02.2019	(2101)	2899	0.04
	Transfer			22.02.2019	(2899)	0	0.00
	At the end of the year					0	0.00

(v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.	Name of Directors and Key Managerial Personnel	Shareholding at the beginning of the year (01.04.2018) and Shareholding at the end of the year (31.03.2019)		Date	Increase / Decrease in Shareholding	Reason	Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the company				No. of Shares	% of total Shares of the company
1	Shri Krishan Kumar Patodia	141028 141028	1.73 1.73	--	--	--	141028	1.73
2	Shri Gopal Patodia	27369 27369	0.34 0.34	--	--	--	27369	0.34
3	Shri Mohan Kumar Patodia	67998 67998	0.84 0.84	--	--	--	67998	0.84
4	Shri Hari Prasad Siotia	199280 199280	2.45 2.45	--	--	--	199280	2.45
5	Shri Jugalkishore Todi	0 0	0.00 0.00	--	--	--	0	0.00
6	Smt. Vinita Devi Modi	0 0	0.00 0.00	--	--	--	0	0.00
7	Shri Makhanlal Bagaria	0 0	0.00 0.00	--	--	--	0	0.00
8	Shri Ashok Pandit	0 0	0.00 0.00	--	--	--	0	0.00
9	Shri Amit Patodia	78980 78980	0.97 0.97	--	--	--	78980	0.97
10	Shri Mukesh Prajapat	0 0	0.00 0.00	--	--	--	0	0.00

V. INDEBTEDNESS:

Indebtedness of the Company including interest outstanding/accrued but not due for payment (in Rs.):

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
(i) Principal Amount	76348888	0	0	76348888
(ii) Interest due but not paid	0	0	0	0
(iii) Interest accrued but not due	2853	0	0	2853
Total (i+ii+iii)	76351741	0	0	76351741
Change in Indebtedness during the financial year				
Addition	99756632			99756632
Reduction	24552105			24552105
Net Change (Addition)	75204527			75204527
Indebtedness at the end of the financial year				
(i) Principal Amount	151555520	0	0	151555520
(ii) Interest due but not paid	0	0	0	0
(iii) Interest accrued but not due	748	0	0	748
Total (i+ii+iii)	151556268	0	0	151556268

VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**A. Remuneration to Managing Director, Whole-time Directors and/or Manager:**

Sl. No.	Particulars of Remuneration	Name of MDs		Total Amount
		Shri Gopal Patodia, Managing Director	Shri Mohan Kumar Patodia, Managing Director cum Chief Financial Officer	
1	Gross Salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	3600000	2160000	5760000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	1441519	2304158	3745677
	(c) Profits in lieu of salary under section 17(3) Income tax Act, 1961	--	--	--
2	Stock Option	--	--	--
3	Sweat Equity	--	--	--
4	Commission as % of profit	1500000	1000000	2500000
5	Others, please specify (Incentive)	360000	216000	576000
6	Non – Taxable Perks	1483631	549786	2033417
	Total (A)	8385150	6229944	14615094
	Ceiling as per the Act	As per Section 197 and Schedule V of the Companies Act, 2013.		

B. Remuneration to other directors:**1. Independent Directors**

Sl. No.	Particulars of Remuneration	Name of Directors				Total Amount
		Shri Jugalkishore Todi	Shri Ashok Pandit	Smt. Vinita Devi Modi	Shri Makhanlal Bagaria	
I	Fee for attending board / committee meetings	150000	120000	70000	20000	360000
	Total (1)					360000

2. Other Non-Executive Directors

Sl. No.	Particulars of Remuneration	Name of Directors		Total Amount
		Shri Hari Prasad Siotia	Shri Krishan Kumar Patodia	
I	Fee for attending Board / Committee meetings	110000	10000	120000
	Total (2)			120000
	Total (B)=(1+2)			480000
	Total Managerial Remuneration (A+B)			15095094
	Overall Ceiling as per the Act	As per Section 197 and Schedule V of the Companies Act, 2013.		

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD

Sl. No.	Particulars of Remuneration	Key Managerial Personnel	
		Shri Amit Patodia, Chief Executive Officer	Shri Mukesh Prajapat, Assist. Company Secretary
1	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	1872000	279600
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	2381308	67088
	(c) Profits in lieu of salary under section 17(3) Income tax Act, 1961	--	--
2	Stock Option	--	--
3	Sweat Equity	--	--
4	Commission / Bonus as % of profit	--	--
5	Others – Non Taxable Perks	538631	29600
	Total	4791939	376288

VII PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

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

For PBM POLYTEX LIMITED

Place: Vadodara
Date : 13.08.2019

KRISHAN KUMAR PATODIA
Chairman
(DIN : 00027335)

ANNEXURE “D” TO THE DIRECTORS’ REPORT

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

- 1. A brief outline of the Company’s CSR policy including over view of projects or programmes proposed to be undertaken and a reference to the web-link to the CSR Policy and projects or programmes:**

The Company has framed a CSR Policy in compliance of the provisions of the Companies Act, 2013 and the same is available on the weblink <http://www.pbmpolytex.com/attachments/article/47/CSR%20Policy.pdf>. The CSR Policy covers the various activities in different fields covered under the Companies Act, 2013.

- 2. Composition of the CSR Committee:**

Shri Krishan Kumar Patodia, Chairman

Shri Gopal Patodia, Managing Director

Shri Jugalkishore Todi, Independent Director

- 3. Average Net Profit of the Company for last three financial years**

Average Net Profit: Rs. 909.65 Lakh.

- 4. Prescribed CSR Expenditure (two percent of the amount as in item 3 above)**

During the financial year 2018 – 19, the Company was required to spend total amount of Rs. 51.41 lakhs (Rs. 8.41 lakhs for the financial year 2016-17, Rs. 24.81 lakhs for the financial year 2017-18 and Rs. 18.19 Lakhs for the financial year 2018-19).

- 5. Details of CSR spent during the financial year:**

a.	Total amount for the financial year 2018-19:- Due Rs. 18.19 lakhs; Spent Rs. 9.33	
b.	Amount unspent for the financial year 2018-19: (Refer Point No. 6 below)	Rs. 8.86 Lakhs
c.	Manner in which the amount spent during the financial year 2018 – 19 is detailed below :-	

Sl. No.	CSR project or activity identified	Sector in which the Project is covered	Projects/ Programmes:-		Amount outlay (budget) Project or Programs wise : (Rs.)	Amount spent on the projects or programs (Rs.)	Direct expenditure on Projects or programs,	Over-heads	Cumulative expenditure up to the reporting period (Rs.)	Amount spent: Direct or through implementing agency
			Local area or other	Specify the State and district, where projects or programs was undertaken						
1.	Shri Ranisati Balika Vidyapith, Nawalgarh	Education	--	Dist. Nawalgarh, Rajasthan	1,50,000	1,50,000	--	Overhead	1,50,000	Implementing Agency
2.	M/s Shree Krishna Hospital, run by M/s Charutar Arogya Mandal, Karamsad, Anand	Health Care	Karamsad, Dist. Anand, Gujarat	--	15,00,000	15,00,000	--	Overhead	16,50,000	Implementing Agency
3.	Mahavir Foundation Trust	Education	--	Dist. Vadodara, Gujarat	3,00,000	3,00,000	--	Overhead	19,50,000	Implementing Agency
4.	M/s Shram Mandir Trust, Sindhrot, Vadodara	Health care	--	Dist. Vadodara, Gujarat	5,00,000	5,00,000	--	Overhead	24,50,000	Implementing Agency
5.	Naar Sewa Samaj, Naar	Industrial Training	Dist. Anand Gujarat	--	4,00,000	4,00,000	--	Overhead	28,50,000	Implementing Agency
6.	Confederation of Indian Textile Industry (CITI)	Pest Control Management Technology for producing better quality of Cotton and higher yield.	--	Dist. Wardha, Maharashtra	2,00,000	2,00,000	--	Overhead	30,50,000	Implementing Agency
7.	Rotary Club Bombay Charities Trust No. 3	Vocational Training Programme	--	Mumbai, Maharashtra	7,00,000	7,00,000	--	Overhead	37,50,000	Implementing Agency
8.	Swargashram Trust, Rishikesh, Uttarakhand	Education	--	Rishikesh, Uttarakhand	25,000	25,000	--	Overhead	37,75,000	Implementing Agency
9.	CanCare Trust, Mumbai	Health Care	--	Mumbai, Maharashtra	4,00,000	4,00,000	--	Overhead	41,75,000	Implementing Agency
10.	Kedar Art Research Centre, Vadodara	Art and Cultural activities	--	Dist. Vadodara, Gujarat	30,000	30,000	--	Overhead	42,05,000	Implementing Agency
11.	Baroda Citizens Council, Baroda	Education	--	Dist. Vadodara, Gujarat	50,000	50,000	--	Overhead	42,55,000	Implementing Agency

- 6. The Company has subsequently spent the below mentioned amount under different activities upto the date of this Report:**

- Rs. 43,500 for Water Cooler for general public through Petlad Nagarpalika,
- Rs. 2,00,000/- to Shree L. H. H. and J. M. T. Sarvajani Kanya Vidyalay Trust, Dist. Chhota Udaipur, Gujarat towards girl education and maintenance of school building and
- Rs. 50,000 to Shri Rani Sati Balika Vidyapith for Furniture, Books, etc. for the School Students.

The CSR Committee members of the Company and the Managing Directors are continuously studying and visiting areas for spending amount and contributing to eligible institutions which are engaged in benefiting poor and needy people and arranging for education and other works for welfare of the society. It is always kept in view that Company's duty towards welfare of the society is fulfilled and the money spent is for right work. This objective sometimes delays in fulfilling the liability.

7. The CSR committee confirms that the implementation and monitoring of CSR policy is in compliance with CSR objectives and policy of the Company.

(Gopal Patodia)
Managing Director
(00014247)

(Krishan Kumar Patodia)
Chairman - CSR Committee
(DIN : 00027335)

For PBM POLYTEX LIMITED

KRISHAN KUMAR PATODIA
Chairman
(DIN : 00027335)

Place : Vadodara
Date : 13.08.2019

ANNEXURE "E" TO THE DIRECTORS' REPORT

Secretarial Audit Report for the Financial Year ended March 31, 2019

[Pursuant to section 204(1) of the Companies Act, 2013, Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Regulation 24A of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015]

The Members,
PBM Polytex Limited
Opp. Railway Station,
Petlad – 388 450,
Gujarat.

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **PBM Polytex Limited** (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 the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the Financial Year ended on 31st March, 2019, 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 other records maintained by the Company for the period under review, according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made there under;
- ii. The Securities Contracts (Regulation) Act, 1956 (SCRA) and the rules made there under;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, 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;
 - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - c. 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;
 - d. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 / 2018;

We report that, there were no actions / events in pursuance of the following regulations requiring compliance thereof by the Company during the period under review:-

- a. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 / 2018;
- b. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
- c. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- d. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
- vi. Other sector specific laws as follows:
 - (a) The Essential Commodities Act, 1955;
 - (b) Ordinances issued by the Textile Commissioner (Textile Control Order).

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India; and
- (ii) The Listing Agreements entered into by the Company with BSE Limited, read with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review, the Company has complied with the provisions of the applicable Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that;

- A. 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;
- B. Adequate notice is given to all the Directors to schedule the Board Meetings, Agenda and detailed notes on Agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarification on the Agenda items before the meeting and for meaningful participation at the meeting;
- C. As per the minutes of the meetings duly recorded and signed by the Chairman, the decisions of the Board were unanimous and no dissenting views have been recorded;
- D. There are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with all the applicable laws, rules, regulations and guidelines;
- E. During the audit period, there were no specific instances / actions in pursuance of the above referred laws, rules, regulations, guidelines, etc., having a major bearing on the Company's affairs. However, the Board of Directors in their meeting held on 21st February, 2019 had approved the proposal for Buyback of up to 13,75,000 fully paid-up equity shares of Rs. 10/- each (representing 16.91% of total paid-up equity share capital) at a price of Rs. 80/- payable in cash for a total consideration not exceeding Rs. 11,00,00,000/-, which was not exceeding 9.85% of total paid-up equity share capital and free reserves as on 31st March, 2018. Pursuant to the approval of the Securities and Exchange Board of India (SEBI), the Company has bought back 12,50,000 equity shares of Rs. 10/- each at a price of Rs. 80/- per share at an aggregate value of Rs. 10,00,00,000/-. The shares so bought back were extinguished on 14th May, 2019 reducing the paid-up share capital of the company to Rs. 6,87,90,200/- (i.e. 68,79,020 equity shares of Rs. 10/- each).

S. Samdani

Partner

Samdani Shah & Kabra

Company Secretaries

FCS No. 3677

CP No. 2863

UDIN : F003677A000003259

Place: Vadodara,

Date: August 13, 2019

This Report is to be read with our letter of even date which is annexed as Appendix A and forms an integral part of this report.

APPENDIX A

The Members,

PBM Polytex Limited

Opp. Railway Station,

Petlad – 388 450, Gujarat.

Our Secretarial Audit report of even date is to be read along with this letter, that:

- i. Maintenance of Secretarial records and compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management of the Company. Our examination was limited to the verification and audit of procedures and records on test basis. Our responsibility is to express an opinion on these secretarial records and compliances based on such verification and audit.
- ii. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of 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.
- iii. Wherever required, we have obtained the management representation about the Compliance of laws, rules and regulations and happening of events etc.
- iv. 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.

S. Samdani

Partner

Samdani Shah & Kabra

Company Secretaries

FCS No. 3677

CP No. 2863

UDIN : F003677A000003259

Place: Vadodara,

Date: August 13, 2019

ANNEXURE “F” TO THE DIRECTORS’ REPORT

CORPORATE GOVERNANCE

1. COMPANY’S PHILOSOPHY ON CODE OF GOVERNANCE

Corporate Governance refers to a combination of laws, regulations, procedures, implicit rules and good corporate practices which ensures that the Company meets its obligations and fulfils its responsibilities towards shareholders, employees, government and others. The Company is committed on adopting the best possible practices.

The Company’s philosophy of corporate governance aims at the best possible in every sphere of operations consistent with good ethical standards.

2. BOARD OF DIRECTORS

A. Composition of the Board

As per requirements of section 149 of the Companies Act, 2013 (“the Act”) and Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”), atleast 50% of the Board’s Members should be Independent. Accordingly, there is optimum combination of Executive, Non – Executive and Independent Directors including Woman Director in the Company. The Chairman of the Company is Non-Executive Promoter Director. The Composition of the Board is given hereunder:

Name of Directors	Designation	No. of Shares [^]	Category	No. of Directorship in other Companies	Committee(s) Position in other Companies	
					Member	Chairman
Shri Krishan Kumar Patodia	Chairman	141028	Promoter – Non Executive	10	1	0
Shri Gopal Patodia	Managing Director	27369	Promoter – Executive	7 #	0	0
Shri Hari Prasad Sotia	Director	199280	Promoter – Non Executive	5	2	1
Shri Mohan Kumar Patodia	Managing Director cum Chief Financial Officer	67998	Promoter – Executive	3	0	0
Shri Jugalkishore Todi	Independent Director	0	Independent Director	0	0	0
Smt. Vinita Devi Modi	Independent cum Woman Director	0	Independent Director	0	0	0
Shri Makhanlal Bagaria	Independent Director	0	Independent Director	2	1	0
Shri Ashok Pandit *	Independent Director	0	Independent Director	0	0	0

[^] The Company has not issued any convertible instrument.

Shri Gopal Patodia ceased to be Director of M/s. Eurotex Industries and Exports Limited w.e.f. 13.05.2019.

* Pursuant to the approval of shareholders at the 99th Annual General Meeting held on 18th September, 2018, Shri Ashok Pandit (DIN : 08132980), was appointed as an Independent Director of the Company since 19th May, 2018 for a consecutive period of five years.

B. Seven Board meetings were held during the year on the dates given below:

Dates on which Board Meetings were held	Total strength of Board	No. of Directors Present
19.05.2018	7	4
30.05.2018	8	6
04.08.2018	8	7
22.09.2018	8	4
13.11.2018	8	4
11.02.2019	8	7
21.02.2019	8	4

C. Attendance of each Director present at the Board Meetings and Last Annual General Meeting (“AGM”):-

Name of the Directors	Attendance at Board Meetings held on							Attendance at AGM held on 18.09.2018
	19.05.2018	30.05.2018	04.08.2018	22.09.2018	13.11.2018	11.02.2019	21.02.2019	
Shri Krishan Kumar Patodia	Leave of absence	Leave of absence	✓	Leave of absence	Leave of absence	Leave of absence	Leave of absence	Leave of absence
Shri Gopal Patodia	✓	✓	✓	✓	✓	✓	✓	✓
Shri Hari Prasad Siotia	✓	✓	✓	Leave of absence	Leave of absence	✓	Leave of absence	Leave of absence
Shri Mohan Kumar Patodia	Leave of absence	✓	Leave of absence	Leave of absence	Leave of absence	✓	Leave of absence	✓
Shri Jugalkishore Todi	✓	✓	✓	✓	✓	✓	✓	Leave of absence
Smt. Vinita Devi Modi	✓	✓	✓	✓	✓	✓	✓	Leave of absence
Shri Makhanlal Bagaria	Leave of absence	Leave of absence	✓	Leave of absence	Leave of absence	✓	Leave of absence	Leave of absence
Shri Ashok Pandit *	Attended as Invitee	✓	✓	✓	✓	✓	✓	✓

* Pursuant to the approval of shareholders at the 99th Annual General Meeting held on 18th September, 2018, Shri Ashok Pandit (DIN : 08132980), was appointed as an Independent Director of the Company since 19th May, 2018 for a consecutive period of five years.

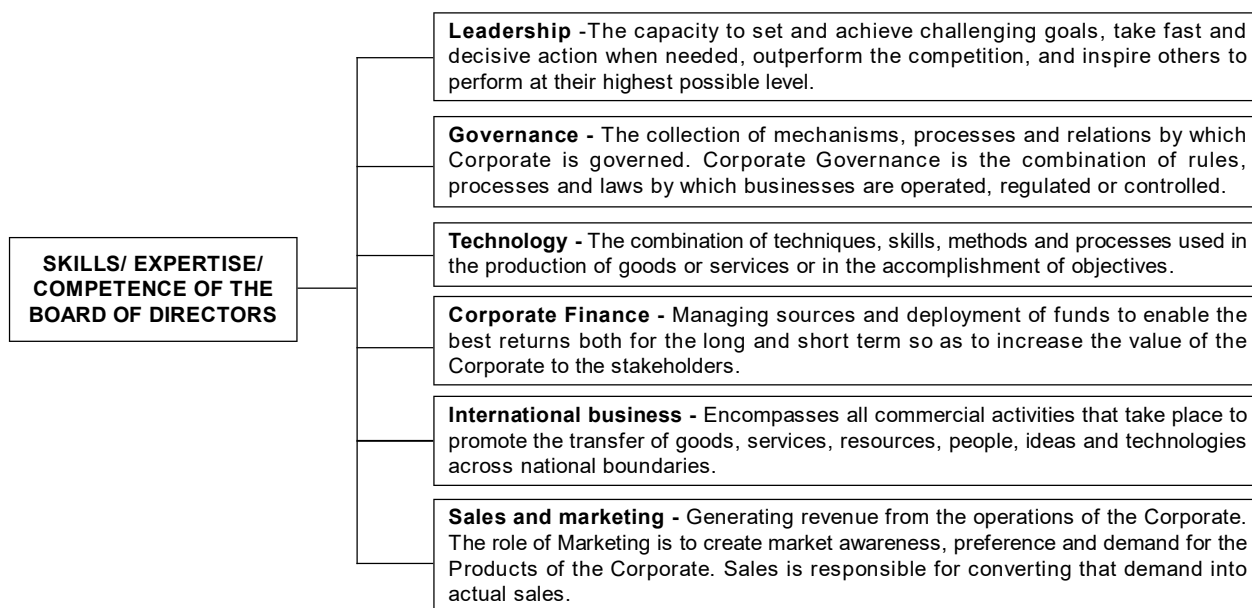
D. Membership in other Listed Companies :-

Name of Directors	Name of Listed Companies	Category of Directorship
Shri Krishan Kumar Patodia	M/s. Eurotex Industries and Exports Ltd.	Chairman and Managing Director
# Shri Gopal Patodia	M/s. Eurotex Industries and Exports Ltd.	Non-Executive Director
Shri Hari Prasad Siotia	M/s. Eurotex Industries and Exports Ltd.	Non-Executive Director
Shri Mohan Kumar Patodia	N. A.	N. A.
Shri Jugalkishore Todi	N. A.	N. A.
Smt. Vinita Devi Modi	N. A.	N. A.
Shri Makhanlal Bagaria	M/s. Eurotex Industries and Exports Ltd.	Independent Director
Shri Ashok Pandit *	N. A.	N. A.

Shri Gopal Patodia ceased to be Director of M/s. Eurotex Industries and Exports Limited w.e.f. 13.05.2019.

* Pursuant to the approval of shareholders at the 99th Annual General Meeting held on 18th September, 2018, Shri Ashok Pandit (DIN : 08132980), was appointed as an Independent Director of the Company since 19th May, 2018 for a consecutive period of five years.

E. Key Board qualifications, expertise and attributes



F. Demise of Independent Director of the Company

Shri Brijbhushanlal Kabra (DIN : 00023410), Independent Director of the Company, expired on 12th April, 2018. The Company had been benefitted by his valuable expertise and significant experience during his association with the Company. The Board takes on record the invaluable contributions made by the Late Shri Brijbhushanlal Kabra as an Independent Director.

Disclosure of relationships between Directors inter-se

Shri Krishan Kumar Patodia, Shri Gopal Patodia and Shri Mohan Kumar Patodia are related to each other. No other director is relative of other directors.

COMMITTEES OF THE BOARD

With a view to have more focused attention on business and for better governance and accountability, the Board has constituted various mandatory committees viz. Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee and Corporate Social Responsibility Committee. The term of reference of these Committees are determined by the Board and their relevance is reviewed from time to time.

3. AUDIT COMMITTEE

(i) Terms of Reference

The Audit Committee acts as a link between the Statutory Auditors, Internal Auditors and the Board of Directors. Its purpose is to assist the Board in fulfilling its responsibilities of monitoring financial reporting process, reviewing the Company's established systems and processes for internal financial controls, governance and reviewing the Company's Statutory and Internal Audit activities. The Committee is governed by a Charter, which is in line with the regulatory requirements mandated by the Act and Listing Regulations.

(ii) Composition

The Audit Committee consists of three Non-Executive Directors specialized in accounting and financial management. The constitution of Audit Committee meets with the requirements prescribed under Section 177 of the Act and Listing Regulations.

Name of Committee Members	Category
Shri Ashok Pandit *	Chairman, Independent Director
Shri Hari Prasad Siotia	Member, Non-Executive Director
Shri Jugalkishore Todi	Member, Independent Director

* Pursuant to the approval of shareholders at the 99th Annual General Meeting held on 18th September, 2018, Shri Ashok Pandit (DIN : 08132980), was appointed as an Independent Director of the Company since 19th May, 2018 for a consecutive period of five years.

Shri Mukesh Prajapat acts as the Secretary of the Committee.

(iii) Meetings

During the year, the Audit Committee has met five times. Attendance of each Committee member at the meetings were as follows:

Name of Committee Members	Category	Attendance at the Audit Committee Meetings held on				
		19.05.2018	30.05.2018	04.08.2018	13.11.2018	11.02.2019
Shri Ashok Pandit	Chairman, Independent Director	Attended as Invitee	✓	✓	✓	✓
Shri Hari Prasad Siotia	Member, Non – Executive Director	✓	✓	✓	Leave of absence	✓
Shri Jugalkishore Todi	Member, Independent Director	✓	✓	✓	✓	✓

The Internal Auditors and Statutory Auditors are permanent invitees at the meetings. The terms of reference of Audit Committee are in accordance with the section 177 of the Act and Listing Regulations.

The Company has system and procedures in place to ensure that the Audit Committee mandatorily review:

- Management discussion and analysis of financial condition and results of operations;
- Statement of significant Related Party Transactions submitted by management;
- Management letters / letters of internal control weaknesses issued by the Statutory Auditor;
- Internal Audit Reports relating to internal control weaknesses; and
- The appointment, removal and terms of remuneration of the Chief Internal Auditor.

The Chairman of Audit Committee was present at the last Annual General Meeting to answer the shareholders' queries.

4. NOMINATION AND REMUNERATION COMMITTEE AND REMUNERATION OF MANAGERIAL PERSONNEL AND SENIOR EXECUTIVES

(i) Terms of reference

Remuneration of employees largely consists of basic remuneration and perquisites. The components of total remuneration vary for different cadres and are governed by industry pattern, qualifications and experience of the employee, responsibilities handled, individual performance etc. The objectives of the Nomination and Remuneration Policy are to motivate employees to excel in their performance, recognize their contribution, and retain talent in the organization and reward merit.

The Nomination and Remuneration Committee shall act in accordance with the terms of reference which inter alia, include:

- To identify persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down and to recommend to the Board their appointment and/or removal;
- To carry out evaluation of every Director's performance;
- To formulate the criteria for determining qualifications, positive attributes and independence of a Director, and recommend to the Board a policy, relating to the remuneration for the Directors, key managerial personnel and other employees;
- To formulate the criteria for evaluation of Independent Directors and the Board;
- To devise a policy on Board diversity;
- To recommend/review remuneration of the Managing Director(s) and Whole-time Director(s) based on their performance and defined assessment criteria;
- To carry out any other function as is mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification, as may be applicable;
- To perform such other functions as may be necessary or appropriate for the performance of its duties.

(ii) Composition

The Nomination and Remuneration Committee consists of three Non-Executive Directors.

Name of Committee Members	Category
Shri Ashok Pandit *	Chairman, Independent Director
Shri Hari Prasad Siotia	Member, Non-Executive Director
Shri Jugalkishore Todi	Member, Independent Director

* Pursuant to the approval of shareholders at the 99th Annual General Meeting held on 18th September, 2018, Shri Ashok Pandit (DIN : 08132980), was appointed as an Independent Director of the Company since 19th May, 2018 for a consecutive period of five years.

Shri Mukesh Prajapat acts as the Secretary of the Committee.

The appointments and remuneration of all the Managerial Personnel and top executives are fixed on the recommendation of the Committee.

(iii) Meeting

During the year, the Nomination and Remuneration Committee has met three times. Attendance of each Committee member at the meetings were as follows:

Name of Committee Members	Category	Attendance at the Nomination and Remuneration Committee Meetings held on		
		19.05.2019	30.05.2019	11.02.2019
Shri Ashok Pandit	Chairman, Independent Director	Attended as Invitee	✓	✓
Shri Hari Prasad Siotia	Member, Non – Executive Director	✓	✓	✓
Shri Jugalkishore Todi	Member, Independent Director	✓	✓	✓

The Chairman of Nomination and Remuneration Committee was present at the last Annual General Meeting to answer the shareholders' queries.

POLICY FOR SELECTION AND APPOINTMENT OF DIRECTORS & SENIOR EXECUTIVES AND THEIR REMUNERATION

The remuneration of Managing Directors is decided as per the applicable Schedule and Sections of the Act, as amended from time to time and subject to the approval of shareholders and other authority(ies), if required and also as recommended by the Nomination and Remuneration Committee and approved by the Board of Directors.

The remuneration of Senior Executives is also decided by the Board of Directors on the recommendation of the Nomination and Remuneration Committee and also subject to the sanction of shareholders, if any. Senior Executive holds Place of Profit.

The selection and appointment of the Whole Time Directors, other directors and Top Executives is done on the basis of their experience, qualifications and knowledge of the concerned field.

Performance evaluation criteria for Independent Directors:

All the Independent Directors of the Company have efficiently played their roles and discharged their responsibilities for the benefit of the Company as a whole. Based on formal and informal appraisals, all the Independent Directors have played vital role in ensuring good corporate governance efficiency.

DETAILS OF REMUNERATION PAID / PAYABLE TO EXECUTIVE AND NON-EXECUTIVE DIRECTORS**Remuneration of Whole Time / Executive Directors**

Remuneration paid / accrued to the Executive Directors for the financial year ended March 31, 2019 is as follows (Rs.):

Name of Director	Salary	Perquisites	Commission	Incentives	Other	Total
Shri Gopal Patodia	3600000	1441519	1500000	360000	1483631	8385150
Shri Mohan Kumar Patodia	2160000	2304158	1000000	216000	549786	6229944
TOTAL	5760000	3745677	2500000	576000	2033417	14615094

The present term of appointment of both the Managing Directors, namely Shri Gopal Patodia and Shri Mohan Kumar Patodia, is from 01.04.2018 to 31.03.2021.

Remuneration of Non-Executive Directors

Non-Executive Directors including Independent Directors were paid sitting fees only for attending the meetings of the Board of Directors and Committees within the limits as prescribed under the Act. Details of remuneration paid to Non-Executive Directors during financial year 2018 – 19 and their shareholding in the Company as at March 31, 2019 are as follows:

Name of Directors	Sitting Fees (Rs.)	No. of shares held in the Company
Shri Krishan Kumar Patodia	10,000	1,41,028
Shri Hari Prasad Siotia	1,10,000	1,99,280
Shri Ashok Pandit	1,20,000	0
Shri Jugalkishore Todi	1,50,000	0
Smt. Vinita Devi Modi	70,000	0
Shri Makhanlal Bagaria	20,000	0

The Company does not have any Stock Option Scheme.

5. STAKEHOLDERS RELATIONSHIP COMMITTEE

The Stakeholders Relationship Committee ("Committee") consists of the following Directors:

Name of Committee Members	Category
Shri Hari Prasad Siotia	Chairman, Non – Executive Director
Shri Krishan Kumar Patodia	Member, Non-Executive Director
Shri Gopal Patodia	Member, Executive Director
Shri Ashok Pandit *	Member, Independent Director

* Pursuant to the approval of shareholders at the 99th Annual General Meeting held on 18th September, 2018, Shri Ashok Pandit (DIN : 08132980), was appointed as an Independent Director of the Company since 19th May, 2018 for a consecutive period of five years.

Shri Mukesh Prajapat acts as the Secretary of the Committee and Compliance Officer of the Company.

The Company has appointed M/s. Link Intime India Pvt. Ltd., having its Vadodara Office at B-102 & 103, Shangrila Complex, First Floor, Opp. HDFC Bank, Near Radhakrishna Char Rasta, Akota, Vadodara – 390020 and registered office at C-101, 247 Park, LBS Marg, Vikhroli (West), Mumbai – 400083 as Registrar and Share Transfer Agent.

This Committee also looks into the grievances lodged by the Shareholders. No complaints have been received from shareholders during the year 2018-19.

The meetings of the Committee were held on 16.04.2018, 19.05.2018, 11.06.2018, 13.08.2018, 10.09.2018, 22.09.2018, 15.10.2018, 12.11.2018, 26.11.2018, 10.12.2018, 31.12.2018, 15.01.2019, 04.02.2019, 18.02.2019, 05.03.2019 and 25.03.2019.

6. CORPORATE SOCIAL RESPONSIBILITY ("CSR") COMMITTEE

The Company has constituted the CSR Committee of the Board. The details of CSR Committee, CSR Policy and CSR Expenditure incurred during the financial year 2018 – 19 have been given in **Annexure D** to the Directors' Report.

During the year under review, the CSR Committee has met two times. Attendance of each member at the meetings were as follows:

Name of Committee Members	Category	Attendance at the CSR Committee Meetings held on	
		30.05.2018	13.11.2018
Shri Krishan Kumar Patodia	Chairman – Non Executive Director	Leave of Absence	Leave of Absence
Shri Gopal Patodia	Member, Managing Director	✓	✓
Shri Jugalkishore Todi	Member, Independent Director	✓	✓

7. GENERAL BODY MEETINGS

Details about location, dates and details of the Special Resolutions passed at the previous three AGMs are as under:

Financial Year	Meeting and Venue	Day, Date and Time	Special Resolutions passed
2015 – 16	97 th AGM at the Registered Office of the Company situated at PBM Polytex Ltd., Opp. Railway Station, Petlad Dist. Anand, Gujarat	Saturday, 24.09.2016 at 11:00 A. M.	No Special Resolution was passed.
2016 – 17	98 th AGM at the Registered Office of the Company situated at PBM Polytex Ltd., Opp. Railway Station, Petlad Dist. Anand, Gujarat	Monday, 25.09.2017 at 11:00 A. M.	Re-appointment of Shri Gopal Patodia as a Managing Director for the period of 3 years and fixing his Remuneration with effect from 01.04.2018. Re-appointment of Shri Mohan Kumar Patodia as a Managing Director for the period of 3 years and fixing his Remuneration with effect from 01.04.2018.
2017 – 18	99 th AGM at the Registered Office of the Company situated at PBM Polytex Ltd., Opp. Railway Station, Petlad Dist. Anand, Gujarat	Tuesday, 18.09.2018 at 11:00 A. M.	No Special Resolution was passed.

Whether any special resolution was passed through Postal Ballot last year – **Yes**

Last date of Receipt of Postal Ballot cum E-voting	Scrutinizer	No. of Resolutions passed
25 th March, 2019	M/s. Samdani Shah & Kabra, Company Secretaries, Vadodara	5

Whether any resolution proposed to be conducted through Postal Ballot this year – **No**

8. INDEPENDENT DIRECTORS' MEETING

During the year under review, all the Independent Directors of the Company met two times i.e. on 30.05.2018 and 11.02.2019, to discuss and evaluate :-

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

Based on the disclosures received from all the independent directors and also in the opinion of the Board, the independent directors have fulfilled the conditions specified in the Companies Act, 2013, SEBI Listing Regulations and are independent of the management.

The Familiarization Programme for Independent Directors is available on Company's Website, web-link of which is http://pbmpolytex.com/wp-content/uploads/2019/07/Details-of-FP_IDs_11.02.2019.pdf

9. RELATED PARTY TRANSACTIONS

The Policy on Related Party Transactions is available on Company's Website, web-link of which is <http://pbmpolytex.com/wp-content/uploads/2015/12/Policy-on-Related-Party-Transactions.pdf>

10. DISCLOSURES

A. Disclosure on Materially Significant Related Party Transactions that may have potential conflict with the interests of the company at large:

There are no materially significant related party transactions made by the Company with its Promoters, Directors or Management, their subsidiaries or relatives, etc., that may have potential conflict with the interests of the Company at large.

However, the Company has taken on rent Offices, Godowns and Residential Premises outside Gujarat which belong to Related Parties namely M/s Sambhu Inv. Pvt. Ltd., M/s Trikon Inv. Pvt. Ltd., M/s Murarilal Mahendrakumar, M/s Eurotex Industries & Exports Ltd., M/s Patodia Syntex Limited, M/s Dharamchand Kesardeo, M/s Brijlal Purushottamdas and M/s B L Patodia Family Trust, to whom rent is paid at reasonable rates which are on Arm's Length Basis.

Further, the Company has given on rent some space in Premises of Registered Office to M/s. Shashank Investments Pvt. Ltd., M/s. Chandramauli Investments Pvt. Ltd., M/s. Veepee Intrades Pvt. Ltd., M/s. Suragini Investments Pvt. Ltd. which belong to the Company, from whom rent is received at reasonable rates which are on Arm's Length Basis.

B. Details of non-compliances by the Company, penalties and strictures imposed on the Company by Stock Exchange or SEBI or any Statutory Authority, on any matter related to capital markets during the last three years:

The Company has complied with all the requirements of Listing Agreement entered into with BSE, as well as, the Listing regulations and guidelines of SEBI. Consequently, there were no strictures or penalties imposed by either SEBI or BSE or any Statutory Authority for non – compliance of any matter (s) related to the capital markets during the last three years.

C. Whistle Blower Policy / Vigil Mechanism:

A Vigil Mechanism provides adequate safeguards against victimization of persons who use such mechanism for reporting genuine concerns. It also makes provision for direct access to the Chairman of the Audit Committee. Web link for Whistle Blower Policy / Vigil Mechanism is <http://pbmpolytex.com/wp-content/uploads/2015/12/Whistle-Blower-or-Vigil-Mechanism-Policy.pdf>. As per the Policy, no person has been denied access to the Chairman of Audit Committee.

D. Policy for determining material subsidiaries:

The Company does not have any Subsidiary Company. Therefore, requirement of devising such policy does not apply to the Company.

E. Certificates from Company Secretary in Practice:

The following certificates as issued by Shri S. Samdani, Partner of M/s. Samdani Shah & Kabra, a firm of Practicing Company Secretaries, Vadodara are enclosed to this Report:

- (a) Compliance Certificate regarding compliance of conditions of Corporate Governance; and
- (b) Certificate that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by SEBI / Ministry of Corporate Affairs or any such statutory authority.

F. Details of utilization of funds raised through preferential allotment/qualified institutions placement:

The Company has, during the year, not raised any funds through preferential allotment or qualified institutions placement as specified under SEBI Listing Regulations, 2015.

G. Fees paid to Statutory Auditors:

The Company has, during the year, paid an amount of Rs. 4,00,000/- plus GST to its Statutory Auditors, M/s. Chandulal M. Shah & Co., Chartered Accountants.

H. Disclosure under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

Number of complaints filed during the Financial Year 2018-19	NIL
Number of complaints disposed off during the Financial Year 2018-19	NIL
Number of complaints pending as at the end of the Financial Year 2018-19	NIL

I. Disclosure of compliance with corporate governance requirements specified in Regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:

Regulation No.	Particulars	Compliance Status (Yes or No)
17	Board of Directors	YES
18	Audit Committee	YES
19	Nomination and Remuneration Committee	YES
20	Stakeholders Relationship Committee	YES
21	Risk Management Committee	N. A.
22	Vigil Mechanism	YES
23	Related Party Transactions	YES
24	Corporate Governance requirements with respect to subsidiary of the Company	N. A.
25	Obligations with respect to Independent Directors	YES
26	Obligations with respect to Directors and Senior Management	YES
27	Other Corporate Governance Requirements	YES
46(2) (b) to (i)	Website	YES

J. Compliance with the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015

The Company has adopted and complied with mandatory requirements of the Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015. Some of the following non-mandatory requirements have also been complied with.

NON-MANDATORY REQUIREMENTS:**(i) Reporting of Internal Auditor**

Internal Auditors of the Company submit reports directly to the Audit Committee regularly.

(ii) Separate Posts of Chairman and CEO

The Chairman, Managing Directors and CEO are separate individuals with vast experience and expertise.

(iii) Audit Qualification / Modified Opinion(s)

There has been no Audit Qualification / Modified Opinion(s) in the Audit Reports by the Auditor.

(iv) Disclosure of Accounting Treatment:

In the preparation of the financial statements, the Company has followed the applicable Indian Accounting Standards (Ind AS) issued by the Institute of Chartered Accountants of India. The significant accounting policies, which are constantly applied, are set out in the Annexure to Notes on Accounts.

(v) Risk Management:

Business risk evaluation and management is an ongoing process within the Company. During the year under review, a detailed exercise of Risk Assessment and Management was carried out covering the entire gamut of business operations and the Board was informed of the same.

11. MEANS OF COMMUNICATION

The Company generally publishes quarterly, half yearly, nine months and Annual Audited Financial Results in one English daily newspaper and one daily newspaper of regional language in accordance with the requirements of the Regulation 47 of the Listing Regulations.

All periodical compliance like Announcements, Shareholding Pattern, Corporate Governance Report, Book Closure Dates, etc. are electronically filed with BSE Limited through BSE.LISTING CENTRE. All material information about the Company is promptly uploaded on website of the Company www.pbmpolytex.com also as may be required from time to time.

12. General Shareholder Information:

- 100th Annual General Meeting** will be held at **11:00 A. M. on Monday, 30th September, 2019**, at the Registered Office of the Company situated at PBM Polytex Ltd., Opp. Railway Station, Petlad, Dist. Anand, Gujarat – 388450.
- Financial Year** from 01.04.2018 to 31.03.2019.
- Date of Book Closure:-** From **Tuesday, 24th September, 2019 to Monday, 30th September, 2019 (both days inclusive).**
- Dividend Payment Date:**
On or after 03.10.2019 but within stipulated time.

5. Listing of Shares:

The Company's shares are listed on the following Stock Exchange. The Company confirms that the annual listing fees to BSE Limited for the financial year 2019-20 has been paid.

Name of Stock Exchange	Scrip Code / Stock Exchange Code	ISIN No.
BSE Limited	514087	INE501F01018

6. Stock Market Data for FY 2018 – 19 (BSE) :

Month	Month's Highest Price (Rs.)	Month's Lowest Price (Rs.)
April 2018	99.00	82.70
May 2018	88.20	76.10
June 2018	97.00	77.80
July 2018	96.00	77.60
August 2018	92.30	83.10
September 2018	89.45	70.30
October 2018	84.90	69.00
November 2018	90.00	70.50
December 2018	81.85	76.00
January 2019	82.80	74.00
February 2019	83.15	70.25
March 2019	87.85	76.05

7. Performance in comparison to broad-based indices such as BSE Sensex, CRISIL Index etc.

Particulars	31.03.2019 (Rs.)	31.03.2018 (Rs.)	Change (%)
Share price of PBM	78.65	83.05	(-) 5.30
BSE Sensex	38,672.91	32,968.68	(+) 17.30

8. Commodity price risk or foreign exchange risk and hedging activities

During the year, the Company has managed the Foreign Exchange risks and hedged its exposure against exports as it deemed appropriate. The Management monitors Yarn prices which are volatile and steps are taken to minimize the risks.

9. Demat Suspense account/ Unclaimed Suspense Account

No unclaimed share certificates are with the Company.

10. Registrars & Share Transfer Agent:

(Share Transmission, Duplicate issue, Consolidation, Name Deletion etc., Demat, communications regarding Share Certificates, Dividends and Change of address):-

Mr. Alpesh Gandhi

M/s Link Intime India Pvt. Ltd., (Unit:- PBM Polytex Limited)

B-102 & 103, Shangrila Complex, Off. HDFC Bank, Near Radhakrishna Char Rasta, Akota, Vadodara – 390020;

Tel Nos. 0265-2356573, 2356794; Fax No. 0265-2356791;

E-mail: alpesh.gandhi@linkintime.co.in / vadodara@linkintime.co.in

11. Share Transfer System:

Share transfers are processed and Share Certificates, duly endorsed, are delivered within a period of 15 days from the date of receipt, subject to documents being valid and complete in all respects. All requests for dematerialization of shares are processed and the confirmation is given to the Depositories concerned within 15 days from the date of receipt, subject to documents being valid and complete in all respects.

12. Distribution of shareholding as at 31.03.2019:

No. of Equity Shares held	No. of Shareholders	No. of Shares Held	% of Issued Capital
1 – 500	3517	491212	6.04
501 – 1000	238	182823	2.25
1001 – 2000	116	164682	2.03
2001 – 3000	41	101164	1.24
3001 – 4000	22	77035	0.95
4001 – 5000	14	65452	0.81
5001 – 10000	23	161495	1.98
More than 10000	55	6886137	84.70
TOTAL	4026	8130000	100.00

13. Dematerialization of shares:

About 96.34% of Company's paid up equity share capital has been dematerialized up to 31st March, 2019. The shareholders wishing to demat the shares may approach Depository Participant(s).

14. Outstanding GDRs/Warrants: Not Applicable.**15. Plant Location:****(A) Yarn Manufacturing Plants of the Company are situated at -**

- (i) Opp. Railway Station, Petlad – 388450, Dist. Anand, Gujarat
- (ii) Plot No.16 to 19, Sector B, AKVN Industrial Area, Borgaon, Kheritaigaon, Dist. Chhindwara (M. P.)

(B) Four Windmills are located in Gujarat at -

- (i) Vill: Suthari, Revenue Survey No. 870/P, Taluka Abdasa, Dist. Kutch (Guj.)
- (ii) Vill: Okha Madhi, Survey No. 24 Part, Taluka Dwarka, District Jamnagar (Guj.)
- (iii) Vill: Methan, Survey No. 284, Taluka Jamjodhpur, Dist. Jamnagar (Guj.)
- (iv) Vill: Methan, Survey No. 284/3/Paiki, Taluka Jamjodhpur, Dist. Jamnagar (Guj.)

16. Address for correspondence

Attn: Company Secretary
PBM Polytex Limited, Opp. Railway Station, Petlad – 388450, Dist. Anand, Gujarat
Telephone: (02697) 224001; Fax No. (02697) 224009,
E-Mail pbumills@patodiagroup.com

17. Details of Credit Ratings assigned

Your Company has been assigned the following ratings by CARE Ratings Limited:

Name of Credit Rating Agency	Facilities	Existing Ratings	Revised Ratings
CARE Ratings Limited	Long-term Bank Facilities	CARE A-; Outlook : Stable	CARE A-; Outlook : Stable
	Long-term/Short-term Bank Facilities	CARE A2+; Outlook : Stable	CARE A2+; Outlook : Stable

Members are requested to quote their Folio No. / DP ID-Client ID, Email ID, Telephone Number and full address while corresponding with the Company / Registrars & Share Transfer Agent.

For PBM POLYTEX LIMITED

Place: Vadodara
Date : 13.08.2019

KRISHAN KUMAR PATODIA
Chairman
(DIN : 00027335)

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

INDUSTRIAL STRUCTURE AND DEVELOPMENTS:

The Company is having two Cotton Spinning units one at Petlad (Guj.) and another at Borgaon (M.P.). There are three Windmills in Jamnagar (Guj.) and one Windmill in Kutch (Guj.).

Substantial quantity of yarn is exported by the Company to various countries. Textile Industry is the oldest and highest employment providing in India. Globally, India is one of the country having largest textile manufacturing capacity. The important factors which influences the Company's operations are demand and supply conditions, availability of raw material at reasonable rate, the export market condition, availability of workers of required skills, Government regulations, tax laws, economic developments etc.

OPPORTUNITIES, THREATS, RISKS AND CONCERNS:

The Company's main raw material is Cotton which is an agricultural crop. Its quality and available quantity at reasonable price depends on proper rains and government policies towards exports, as well as, on international market. Coming of new Spinning Units, cost of production of which is normally low as compared to the old Spinning Mills, creates much competition. International market also affects the Indian industries.

Generation of electricity at Windmills at optimum level is always depended on weather conditions.

SEGMENT-WISE OR PRODUCT-WISE PERFORMANCE:

The Company's main product is Cotton Yarn which is about 95.42% of total sales. As stated above, there are four Windmills where the electricity generation depends upon weather conditions.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:

Internal Control Systems and procedures in the Company are commensurate with nature and size of its business and are regularly reviewed and updated by incorporating required changes in regulatory provisions to ensure that not only the assets of the Company are safeguarded and protected against any loss, but also all the transactions are properly accounted and that they meet the test of legal compliances.

Apart from regular review and monitoring Internal Control Systems by the Company's Internal Control Department, two independent Chartered Accountants firms have been appointed to conduct the internal audit for the Company's two manufacturing units. This provides reasonable assurance to the effectiveness of the internal control systems and procedures and reliability of financial reporting.

OUTLOOK:

The management has programme of installing new machineries gradually to improve the quality of production. The availability of labour of required skills, however, on regular basis, is a matter of concern.

The Exchange Rate Fluctuations, increase in Power Rate, volatility in Cotton and Yarn prices are the risks and the matters of concern which may affect profitability.

FINANCIAL AND OPERATIVE PERFORMANCE:

During the year 2018 – 19, the yarn market was sluggish on account of fall in exports and rise in cotton prices which substantially affected the financial results.

DEVELOPMENT IN HUMAN RESOURCES / INDUSTRIAL RELATIONS FRONT:

There are peaceful and amicable relations with workers. At Borgaon Unit of the Company, cordial industrial relation exists.

DETAILS OF SIGNIFICANT CHANGES IN KEY FINANCIAL RATIOS ALONGWITH DETAILED EXPLANATIONS THEREOF:

The following key financial ratios has witnessed a significant change i.e. a change of 25% or more as compared to the financial year 2017-18 :-

Key Financial Ratios	F.Y. 2018-19	F.Y. 2017-18	Change in % as compared to previous year	Reason
Current Ratio	2.21 Times	3.96 Times	-44.20%	Reduction in raw-material inventories and higher utilization of working capital facilities.
Debt Equity Ratio	0.01	0.03	-67.93%	Reduction in Term Loan liabilities.
Net Profit Margin (%)	2.36%	4.04%	-41.61%	Higher income tax liability and higher Notional MTM losses on investment in equity shares.
Return on Net Worth (%)	4.40%	7.14%	-38.34%	Higher income tax liability and higher Notional MTM losses on investment in equity shares.

CAUTIONARY STATEMENT

Any changes in applicable laws, regulations and Government policies are beyond the control and anticipations of the management and may adversely affect the profitability of the Company.

For PBM POLYTEX LIMITED

Place : Vadodara
Date : 13.08.2019

KRISHAN KUMAR PATODIA
Chairman
(DIN : 00027335)

Compliance with Code of Business Conduct and Ethics

Pursuant to Part D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, I, hereby, confirm that the Company has received affirmations on compliance with the Company's Code of Business Conduct and Ethics for the financial year ended 31st March, 2019 from all the Board members and Senior Management Personnel.

For PBM Polytex Limited

Place : Vadodara
Date : 13.08.2019

(Amit Patodia)
Chief Executive Officer

CEO / CFO CERTIFICATION

We, the undersigned, in our respective capacities as Sr. President cum Chief Executive Officer and as Managing Director cum Chief Financial Officer of PBM Polytex Limited ("the Company"), to the best of our knowledge and belief, certify that:

- a. We have reviewed the Financial Statements and Cash Flow Statement for the financial year ended 31st March, 2019 and that to the best of our knowledge and belief, we state that:
 - i. these statements do not contain any materially untrue statement or omit any material fact 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 the existing accounting standards, applicable laws and regulations;
- b. We further state that to the best of our knowledge and belief, no transactions which are entered into by the Company during the year, are fraudulent, illegal or violative of the Company's Code of Business Conduct and Ethics;
- c. We are responsible for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of the internal control, if any, of which we are aware and the steps we have taken or proposed to take to rectify these deficiencies.
- d. We have indicated to the Auditors and the Audit Committee that there are :
 - i. no significant changes in internal controls over financial reporting during the year;
 - ii. no significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - iii. no instances of significant fraud of which we have become aware and the involvement therein of the management or an employee having a significant role in the Company's internal control system over the financial reporting.

For PBM Polytex Limited

For PBM Polytex Limited

Place : Vadodara
Date : 29.05.2019

(Amit Patodia)
Sr. President cum Chief Executive Officer

(Mohan Kumar Patodia)
Managing Director cum Chief Financial Officer

Corporate Governance Compliance Certificate

For the Financial Year ended March 31, 2019

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

To the Members of **PBM Polytex Limited**

We have examined the compliance of the conditions of Corporate Governance by PBM Polytex Limited for the year ended 31st March, 2019 as per the relevant provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations).

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

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

We state that in respect of investor grievances received during the year ended 31st March, 2019, no investor grievance is pending against the Company, as per the records maintained by the Company and presented to the Stakeholders Relationship Committee.

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.

S. Samdani
Partner
Samdani Shah & Kabra
Company Secretaries
FCS No.: 3677
CP No.: 2863
UDIN : F003677A000003259
Place: Vadodara
Date: August 13, 2019

Certificate of Non-Disqualification of Directors

[Pursuant to Regulation 34 (3) and Schedule V Part C Clause 10 (i) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To the Members of PBM Polytex Limited

We have examined the Registers, Papers, Books, Records, Forms, Returns, Declarations, Disclosures and other related documents of PBM Polytex Limited ("the Company"), having CIN: L17110GJ1919PLC000495, situated at Opposite Railway Station, Petlad – 388 450, Gujarat as produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para C Clause 10(i) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company, its officers and representatives, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on March 31, 2019 have been debarred or disqualified from being appointed or continuing as Director of the Company by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sr. No.	Name of the Director	DIN	Date of Appointment
1.	Ashok Anandpriya Pandit	08132980	19/05/2018
2.	*Brijbhushanlal Goverdhanlal Kabra	00023410	28/12/1980
3.	Gopal Patodia	00014247	01/10/2010
4.	Hari Prasad Siotia	00015103	09/08/1980
5.	Jugalkishore Maneklal Todi	00598697	31/08/2006
6.	Krishan Kumar Patodia	00027335	12/06/1979
7.	Makhanlal Bagaria	01213323	09/02/2015
8.	Mohan Kumar Patodia	00035381	01/04/2012
9.	Vinitadevi Surendrakumar Modi	06965473	20/09/2014

*As on Date of Certificate, due to his sad demise, Mr. Brijbhushanlal Goverdhanlal Kabra ceased to be a Director w.e.f 12/04/2018.

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

S. Samdani

Partner

Samdani Shah & Kabra

Company Secretaries

FCS No.: 3677, CP No.: 2863

UDIN : F003677A000003259

Vadodara, August 13, 2019

INDEPENDENT AUDITOR'S REPORT

To the Members of
PBM Polytex Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **PBM Polytex Limited** (the 'Company') which comprise the Balance Sheet as at March 31, 2019, and the statement of Profit and Loss (including other comprehensive income), Statement of changes in equity and Statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 as amended ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, and its profit, total comprehensive income, the changes in equity and its cash flows for the year then ended on that date.

Basis for Opinion

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

Key Audit Matters

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

Valuation of Investments

The company carries its investments in its associate company and mutual funds at fair value. As at 31st March, 2019, total investments amounted to Rs. 3326.29 Lakhs and represent 22.47% of total assets. Further disclosures on the investments are given in Note No. 4 and 9.

The fair value exercise involves the use of estimates and judgements specifically in respect of unquoted preference shares, which are carried at amortized cost. Other investments carried at fair value through profit or loss (FVTPL) were listed on stock exchanges and hence quoted market prices/NAV were readily available for fair valuation.

Principal Audit Procedures

Our audit procedures included updating our understanding of the processes employed by the company for accounting for and valuing their investment portfolio.

We reviewed the valuation methods used and discussed with the management regarding the reasonableness of the basis and assumptions used in respect of valuation of unquoted investments. We cross-checked valuation of quoted investments with market rates at the year end.

Measurement of provisions for employee emoluments and benefits

The company has made provisions for employee benefits and revision of wages. The estimates made by the management regarding the existence of an obligation as well as the forecast of future cash outflows in connection with these obligations directly impact the recognition and measurement of provisions. The management also make use of their judgements for provisions concerning the legal disputes under negotiations.

Principal Audit Procedures

We examined the processes and controls set up to prevent or detect and correct errors relating to the complete recognition and measurements of provisions involving the use of judgement.

External actuaries were engaged to determine the amounts of provisions of gratuity and leave encashment. We examined the data made available to actuaries for completeness and accuracy. We reviewed the assumptions including the discount rate, expected return on plan assets, escalation rate, etc.

In respect of provision for wage revision, we conducted a critical review of internal analysis notes for the likelihood and potential impact, examining the available documents.

Information other than Financial Statements & Auditors Report thereon.

The Company's Board of Directors is responsible for the Other Information. The Other Information comprises the information included in the Board's Report including Annexures to Board's Report and Management Discussion and Analysis Report (but does not include the standalone financial statements, consolidated financial statements and our auditor's reports thereon). We have been provided draft Board's Report and annexures, Management Discussion and Analysis which are subject to approval by Board of Directors in their next meeting.

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

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

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

Management's Responsibility for the Standalone Financial Statements

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

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

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements:-

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

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

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

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

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

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

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

Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2016 (the "Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "**Annexure A**" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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 are 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 it appears from our examination of those books.
- (c) The Balance Sheet, the Statement of Profit and Loss including other comprehensive income and the Cash Flow Statement, Statement of changes in Equity dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid Standalone financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the directors as on 31st March, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2019 from being appointed as a director in terms of Section 164(2) of the Act.
- (f) With respect to the adequacy of internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to or separate report in "**Annexure B**".
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid/provided by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rule, 2014, in our opinion and to the best of our information and according to the explanations given to us :
 - i. The Company has disclosed the impact of pending litigations on the financial position of its financial statements – Refer Note No. 38 to the financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. there has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For, Chandulal M. Shah & Co.,
Chartered Accountants
FRN101698W

CA B.M. Zinzuvadia
Partner
Mem. No. 109606

Date: 29/05/2019
Place: Ahmedabad

“ANNEXURE A” TO THE INDEPENDENT AUDITORS’ REPORT

Referred to in paragraph 1 under the heading 'Report on Other Legal & Regulatory Requirements' of our report of even date to the financial statements of the Company for the year ended March 31, 2019:

1. In respect of Fixed Assets :
 - (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets;
 - (b) The Fixed Assets have been physically verified by the management in a phased manner, designed to cover all the items over a period of five years, which in our opinion, is reasonable having regard to the size of the company and nature of its business. According to information and explanation given to us, no material discrepancies were noticed on such verification.
 - (c) The title deeds of immovable properties are held in the name of the company.
2. In respect of Inventories:

According to information and explanation given to us, Physical verification of inventories has been conducted at reasonable interval by the Management and no material discrepancies were noticed on physical verification during the year.
3. According to information and explanation given to us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability partnerships or other parties covered in the Register maintained under section 189 of the Act. Accordingly, the provisions of clause 3(iii)(a) to (C) of the Order are not applicable to the Company and hence not commented upon.

4. In our opinion and according to the information and explanations given to us, the company has complied with provisions of section 185 and 186 of the Companies Act, 2013 in respect of making investments. The company has not granted loan or given guarantee or provided security as provided in section 185 and 186 of the Companies Act, 2013.
5. According to information and explanation given to us, the Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.
6. The Central Government has prescribed maintenance of Cost Records under section 148(1) of the Companies Act, 2013 in respect of manufacturing activities of the company. We have broadly reviewed the accounts and the records of the company in this connection and are of opinion, that prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.
7. According to information and explanations given to us in respect of statutory dues and on the basis of our examination of the books of account, and records,
- (a) the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, GST, Duty of Customs, 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 the above were in arrears as at March 31, 2019 for a period of more than six months from the date on when they become payable.
- b) According to the information and explanations given to us, there are no material dues of income tax, GST and duty of customs which have not been deposited with the appropriate authorities on account of any dispute, except in respect to income tax, the following dues have not been deposited by the company on account of disputes according to information and explanation given to us:

Name of statute	Nature of Dues	Amount (in Lakhs)	Period to which amount relates	Forum where the dispute is pending
Entry Tax	Assessment dues	2.16	--do--	Commercial Tax Authorities

8. The company has not defaulted in repayment of dues to Financial Institutions or banks or debenture holders.
9. According to the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments and term Loans during the year. Accordingly, the provisions of clause 3(ix) of the Order are not applicable to the Company.
10. According to the information and explanations given by the management, we report that no fraud by the Company or on the company by its officers or employees has been noticed or reported during the year.
11. According to the information and explanations given by the management, the managerial remuneration has been paid or provided in due compliance of section 197 read with Schedule V to the Companies Act;
12. In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 4 (xii) of the Order are not applicable to the Company.
13. In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.
14. According to the information and explanations given by the management, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3(xiv) of the Order are not applicable to the Company and hence not commented upon.
15. According to the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3(xv) of the Order are not applicable to the Company and hence not commented upon.
16. In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3(xvi) of the Order are not applicable to the Company and hence not commented upon.

For, Chandulal M. Shah & Co.,
Chartered Accountants
FRN101698W

CA B.M. Zinzuvadia
Partner
Mem. No. 109606

Date: 29/05/2019
Place: Ahmedabad

"ANNEXURE B" TO THE INDEPENDENT AUDITORS' REPORT

Report on the Internal Financial Controls under Clause (1) 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 PBM Polytex Limited ("the Company") as of March 31, 2019 in conjunction with our audit of the standalone financial statements of the Company for the year ended on 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 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. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' 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 on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls systems 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 Judgment, 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 purpose in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company, (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company, and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

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, to the best of our information and according to explanations given to us, the Company has, in all material respects, an adequate internal financial control system over financial reporting and such internal financial controls over financial reporting were operating effectively as on March 31, 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reports issued by the Institute of Chartered Accountants of India.

**For, Chandulal M. Shah & Co.,
Chartered Accountants
FRN101698W**

**CA B.M. Zinzuvadia
Partner
Mem. No. 109606**

Date: 29/05/2019
Place: Ahmedabad

STANDALONE BALANCE SHEET AS AT 31ST MARCH, 2019

				(Rs. In Lakhs)
Particulars	Notes	As at 31 st March, 2019	As at 31 st March, 2018	
I ASSETS				
1) Non-current Assets				
(a) Property, Plant and Equipment	2	5,322.45	5,374.72	
(b) Capital work-in-progress		--	--	
(c) Intangible assets	3	7.55	12.01	
(d) Financial Assets				
(i) Investments	4	475.56	861.40	
(ii) Loans	5	81.94	88.15	
(iii) Other Financial Assets	6	0.08	0.08	
(e) Other non-current assets	7	32.35	40.98	
Total Non-current Assets		5,919.93	6,377.34	
2) Current Assets				
(a) Inventories	8	3,659.14	5,233.21	
(b) Financial Assets				
(i) Investments	9	2,850.74	552.54	
(ii) Trade receivables	10	1,382.20	778.77	
(iii) Cash and cash equivalents	11	530.94	324.89	
(iv) Bank balances other than (iii) above	12	63.73	61.00	
(v) Loans	13	38.27	42.77	
(iv) Other Financial Assets	14	2.06	1.14	
(c) Other current assets	15	357.89	427.36	
Total Current Assets		8,884.97	7,421.68	
TOTAL ASSETS		14,804.90	13,799.02	
II EQUITY AND LIABILITIES				
1) Equity				
(a) Equity Share Capital	16	812.96	812.96	
(b) Other Equity	17	10,436.64	10,285.11	
Total Equity		11,249.60	11,098.07	
2) LIABILITIES				
Non-current Liabilities				
(a) Financial Liabilities				
(i) Borrowings	18	--	117.75	
(ii) Other financial liabilities	19	1.25	1.25	
(b) Provisions	20	102.71	79.45	
(c) Deferred tax liabilities (Net)	21	717.92	766.18	
Total Non-current Liabilities		821.88	964.63	
Current Liabilities				
(a) Financial Liabilities				
(i) Borrowings	22	1,397.81	400.24	
(ii) Trade payables	23			
total outstanding dues of micro enterprises and small enterprises		142.30	58.53	
total outstanding dues of creditors other than micro enterprises and small enterprises		259.40	306.08	
(iii) Other financial liabilities	24	404.63	465.11	
(b) Other current liabilities	25	269.89	296.07	
(c) Provisions	26	205.97	206.00	
(d) Current Tax Liabilities (net)	27	53.42	4.29	
Total Current Liabilities		2,733.42	1,736.32	
TOTAL EQUITY AND LIABILITIES		14,804.90	13,799.02	
Significant Accounting Policies and Notes to the Financial Statements	1 - 49			

As per our Attached Report of even date
For Chandulal M. Shah & Co.
Chartered Accountants
Firm Registration No. 101698W

CA. B. M. Zinzuvadia (Partner)
Membership No. 109606

Place: Ahmedabad
Date: 29th May, 2019

Shri Krishan Kumar Patodia
Shri Gopal Patodia
Shri Ashok Pandit
Shri Jugalkishore Todi
Smt. Vinita Devi Modi
Shri Mukesh Prajapat

Place: Vadodara
Date: 29th May, 2019

(DIN: 00027335) Chairman
(DIN: 00014247) Managing Director
(DIN: 08132980) Independent Director
(DIN: 00598697) Independent Director
(DIN: 06965473) Independent Director
Assistant Company Secretary

STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2019

(Rs. In Lakhs)				
	Particulars	Notes	2018-19	2017-18
I	INCOME			
	Revenue from operations	28	21,101.48	19,697.95
	Other income	29	421.67	336.43
	Total Income		21,523.15	20,034.38
II	EXPENSES			
	Cost of materials consumed	30	13,030.34	12,483.94
	Changes in inventories of finished goods, Stock-in-Trade and Work-in-progress	31	46.49	(127.94)
	Excise on Sales		--	10.12
	Employee benefits expense	32	2,402.14	2,269.34
	Finance costs	33	99.03	78.21
	Depreciation and amortization expense		340.74	343.62
	Other expenses	34	4,896.26	4,345.36
	Total Expenses		20,815.00	19,402.65
III	Profit/(loss) before exceptional items and tax		708.15	631.73
IV	Exceptional Items		--	--
V	Profit/(loss) before tax		708.15	631.73
VI	Tax Expenses			
	Current Tax		370.00	226.36
	Deferred Tax Provision / (Reversal)		(63.74)	(236.66)
	Excess Provision of Income Tax of Earlier Years		(54.98)	(71.84)
			251.28	(82.14)
VII	Profit / (Loss) for the year		456.87	713.87
VIII	Other Comprehensive Income			
	Items that will not be reclassified to profit or loss			
	Remeasurement of defined benefit plans		53.14	116.86
	Income tax relating to above item		(15.48)	(38.64)
IX	Total Comprehensive Income for the year		494.53	792.09
X	Earning per Equity Share of face value of Rs. 10 each			
	Basic & Diluted	35	5.62	8.78
	Significant Accounting Policies and Notes to the Financial Statements	1-49		

As per our Attached Report of even date
For Chandulal M. Shah & Co.
Chartered Accountants
Firm Registration No. 101698W

CA. B. M. Zinzuvadia (Partner)
Membership No. 109606

Place: Ahmedabad
Date: 29th May, 2019

Shri Krishan Kumar Patodia
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(DIN: 06965473) Independent Director
Assistant Company Secretary

STANDALONE STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31ST MARCH, 2019

	Particulars	2018-19	2017-18
A	CASH FLOW FROM OPERATING ACTIVITIES		
	Profit Before taxation	708.15	631.73
	Adjustments to reconcile profit before tax to net cash flows:		
	Depreciation /Amortization	340.74	343.62
	Interest Income	(37.94)	(62.77)
	Interest and Other Borrowing Cost	99.03	78.21
	(Profit) / Loss on Sale of Tangible assets	(22.02)	(4.89)
	(Profit) / Loss on Sale of Investment	(208.66)	(150.69)
	Excess provision/sundry balances written back	(57.32)	(74.17)
	Effect of fair valuation of investments	434.31	114.45
	Other Comprehensive Income for gratuity	53.14	116.86
	Operating Profit before Working Capital Changes	1,309.43	992.35
	Working Capital Changes:		
	Changes in Inventories	1,574.07	(84.44)
	Changes in trade and other receivables	(517.34)	60.41
	Changes in trade and other payables	156.14	(288.90)
	Net Changes in Working Capital	1,212.87	(312.94)
	Cash Generated from Operations	2,522.30	679.42
	Direct Taxes paid (Net of Income Tax refund)	(265.88)	(270.02)
	Net Cash flow from Operating Activities	2,256.42	409.41
B	CASH FLOW FROM INVESTING ACTIVITIES		
	Purchase of property, plant & equipment/intangible assets	(307.46)	(219.83)
	Sale of property, plant & equipment	45.47	36.73
	Proceeds from Sale of Investment	(2,138.00)	669.72
	Interest Income	37.02	64.18
	Net Cash flow from Investing Activities	(2,362.97)	550.80
C	CASH FLOW FROM FINANCING ACTIVITIES		
	Dividend Paid	(340.39)	(290.17)
	Proceeds from/(Repayment) of Long Term Borrowings (Net)	(245.50)	(245.50)
	Proceeds from/(Repayments) of Short Term Borrowings	997.57	(556.88)
	Interest and Other Borrowing Cost Paid	(99.08)	(80.79)
	Net Cash flow from Financing Activities	312.60	(1,173.34)
	Net Increase/(Decrease) in cash & cash equivalents	206.05	(213.13)
	Cash & Cash equivalent at the beginning of the year	324.89	538.02
	Cash & Cash equivalent at the end of the year	530.94	324.89

As per our Attached Report of even date
For Chandulal M. Shah & Co.
Chartered Accountants
Firm Registration No. 101698W

CA. B. M. Zinzuvadia (Partner)
Membership No. 109606

Place: Ahmedabad
Date: 29th May, 2019

Shri Krishan Kumar Patodia
Shri Gopal Patodia
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(DIN: 06965473) Independent Director
Assistant Company Secretary

STANDALONE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2019

a. Equity Share capital				
PARTICULARS	As at 31.03.2019		As at 31.03.2018	
	Nos.	Rs. In Lakhs	Nos.	Rs. In Lakhs
Equity shares of Rs. 10 each				
Fully paid up	8,129,020	812.90	8,129,020	812.90
Add : amount received on forfeited shares	980	0.06	980	0.06
	8,130,000	812.96	8,130,000	812.96

b. Other Equity (Rs. In lakhs)					
Particulars	Reserves and Surplus				Total
	Share Capital Forfeiture	Securities Premium Reserve	General Reserve	Retained Earnings	
Balance at 1st April, 2017	0.17	361.05	7,131.57	2,293.75	9,786.54
Total Comprehensive Income for the year	--	--	--	792.09	792.09
Dividend and Dividend Tax	--	--	--	(293.52)	(293.52)
Transferred from Retained Earnings	--	--	200.00	(200.00)	--
Balance at 31st March, 2018	0.17	361.05	7,331.57	2,592.32	10,285.11
Balance at 1st April, 2018	0.17	361.05	7,331.57	2,592.32	10,285.11
Total Comprehensive Income for the year	--	--	--	494.53	494.53
Dividend and Dividend Tax	--	--	--	(343.00)	(343.00)
Transferred from Retained Earnings	--	--	150.00	(150.00)	--
Balance at 31st March, 2019	0.17	361.05	7,481.57	2,593.85	10,436.64

As per our Attached Report of even date
For Chandulal M. Shah & Co.
Chartered Accountants
Firm Registration No. 101698W

CA. B. M. Zinzuvadia (Partner)
Membership No. 109606

Place: Ahmedabad
Date: 29th May, 2019

Shri Krishan Kumar Patodia
Shri Gopal Patodia
Shri Ashok Pandit
Shri Jugalkishore Todi
Smt. Vinita Devi Modi
Shri Mukesh Prajapat

Place: Vadodara
Date: 29th May, 2019

(DIN: 00027335) Chairman
(DIN: 00014247) Managing Director
(DIN: 08132980) Independent Director
(DIN: 00598697) Independent Director
(DIN: 06965473) Independent Director
Assistant Company Secretary

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2019

1A CORPORATE INFORMATION

PBM Polytex Limited is a public company incorporated in India. Its shares are listed on BSE Limited. The company is engaged in manufacture and processing of yarn.

The financial statements were authorized for issue in accordance with a resolution of the directors on May 29, 2019.

1B SIGNIFICANT ACCOUNTING POLICIES**(1) Basis of Preparation:****Compliance with Ind AS**

These financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 ('Act') read with of the Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Act.

Historical cost convention

The financial statements have been prepared on an accrual basis and in accordance with the historical cost convention, unless otherwise stated. The accounting policies are applied consistently to all the periods presented in the financial statements.

Current and non-current classification

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle (twelve months) and other criteria set out in the Schedule III to the Act.

Functional currency:

The financial statements are presented in Indian rupee (INR), which is Company's functional and presentation currency.

Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakh as per the requirement of Schedule III, unless otherwise stated.

(2) Key accounting estimates & judgments:

The estimates and judgements used in the preparation of the financial statements are continuously evaluated by the Company and are based on historical experience and various other assumptions and factors (including expectations of future events) that the Company believes to be reasonable under the existing circumstances. Differences between actual results and estimates are recognised in the period in which the results are known/materialised.

The said estimates are based on the facts and events, that existed as at the reporting date, or that occurred after that date but provide additional evidence about conditions existing as at the reporting date.

(3) Property, Plant & Equipment:

Property, plant and equipment are stated at cost, net of recoverable taxes, less depreciation and impairment losses, if any. Such cost includes purchase price, borrowing cost and other cost directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to the Statement of Profit and Loss during the reporting period in which they are incurred.

Depreciation methods, estimated useful lives and residual value

Depreciation is provided on a Straight Line Method over the estimated useful lives of assets. The Company depreciates its property, plant and equipment over the useful life in the manner prescribed in Schedule II to the Act, and management believe that useful life of assets are same as those prescribed in Schedule II to the Act.

The residual values are not more than 5% of the original cost of the asset. The assets residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the Statement of Profit and Loss.

Leasehold land is amortized over the period of lease.

(4) Intangible Assets

Computer software are stated at cost, less accumulated amortisation and impairments, if any.

Amortisation method and useful life

The Company amortizes computer software using the straight-line method over the period of 6 years. Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the Statement of Profit and Loss.

(5) Inventories:

Items of inventories of Raw Material, Finished goods, Spares and Stores, Packing Material, etc. are valued at lower of cost or net realizable value except waste which is valued at estimated net realizable value. Cost is computed on a weighted average basis. Cost of inventories comprise of cost of purchase, cost of conversion and other costs including manufacturing overheads incurred in bringing them to their respective present location and condition. The net realizable value is the estimated selling price in the ordinary course of business less the estimated cost of completion and estimated cost necessary to make the sale.

(6) Financial Instruments**i. Recognition and initial measurement**

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

A financial asset or financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

ii. Classification and subsequent measurement

Financial assets

On initial recognition, a financial asset is classified as measured at

- amortized cost;
- Fair Value through Other Comprehensive Income (FVOCI) – equity investment; or
- Fair Value Through Profit and Loss (FVTPL)

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

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI. (designated as FVOCI – equity investment). This election is made on an investment-by-investment basis.

All financial assets not classified as measured at amortized cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortized cost or at FVOCI or at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial liabilities

Financial liabilities are classified as measured at amortized cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in profit or loss. Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognized in profit or loss. Any gain or loss on de-recognition is also recognized in profit or loss.

De-recognition

Financial assets

The company de-recognizes a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the company enters into transactions whereby it transfers assets recognized on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognized.

Financial liabilities

The company de-recognizes a financial liability when its contractual obligations are discharged or cancelled, or expire. The company also de-recognizes a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognized at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognized in profit or loss.

Off-setting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realize the asset and settle the liability simultaneously.

(7) Revenue recognition

Effective April 1, 2018, the Company has applied Ind AS 115 "Revenue from Contracts with Customers", which establishes a comprehensive framework for determining whether, how much and when revenue is to be recognized. Ind AS 115 replaces Ind AS 18 "Revenue". The impact of the adoption of the standard on the financial statements of the Company is insignificant.

Revenue is measured at the value of the consideration received or receivable, after deduction of any trade discount, volume rebates and any taxes or duties collected on behalf of Government such as Goods and Services Tax, etc.

The Company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the Company and specific criteria have been met for each of the Company's activities as described below.

Sale of goods

Revenue from sale of goods is recognised when control of the products being sold is transferred to our customers and there are no longer any unfulfilled obligations. The performance obligations in our contracts are fulfilled at the time of dispatch, delivery or upon formal customer acceptance depending on customer terms.

Other revenue:

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable rate of interest.

Revenue in respect of insurance/other claims etc, is recognized only when it is reasonably certain that the ultimate collection will be made.

Dividends are generally recognised in the Statement of Profit and Loss only when the right to receive is established.

(8) Foreign Currency Transactions:

The financial statements are presented in Indian rupee (INR), which is Company's functional and presentation currency.

Foreign currency transactions are translated into the functional currency using exchange rate at the date of the transaction. Foreign exchange gains and losses from the settlement of these transactions are recognized in the statement of profit and loss. Foreign currency denominated monetary assets and liabilities are translated into functional currency at the exchange rates in effect at the balance sheet date, the gain or loss arising on such translations are recognized in the statement of profit and loss.

(9) Income tax

Income tax expense represents the sum of tax currently payable and deferred tax. Tax is recognized in the Statement of Profit and Loss, except to the extent that it relates to items recognized directly in equity or in other comprehensive income.

(a) Current Tax

Current tax includes provision for Income Tax computed under Special provision (i.e., Minimum alternate tax) or normal provision of Income Tax Act. Tax on Income for the current period is determined on the basis on estimated taxable income and tax credits computed in accordance with the provisions of the relevant tax laws and based on the expected outcome of assessments/appeals.

(b) Deferred Tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the balance sheet and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences.

Deferred tax assets are generally recognised for all deductible temporary differences, unabsorbed losses and unabsorbed depreciation to the extent that it is probable that future taxable profits will be available against which those deductible temporary differences, unabsorbed losses and unabsorbed depreciation can be utilised.

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

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the balance sheet date. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

(c) Minimum Alternate Tax (MAT):

MAT is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. In the year in which the MAT credit becomes eligible to be recognised, it is credited to the Statement of Profit and Loss and is considered as (MAT Credit Entitlement). The Company reviews the same at each Balance Sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that the Company will pay normal Income Tax during the specified period. Minimum Alternate Tax (MAT) Credit are in the form of unused tax credits that are carried forward by the Company for a specified period of time, hence, it is presented as Deferred Tax Asset.

(10) Provisions, contingent liabilities and contingent assets

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

Contingent Liabilities are disclosed in respect of possible obligations that arise from past events but their existence will be confirmed by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Company or where any present obligation cannot be measured in terms of future outflow of resources or where a reliable estimate of the obligation cannot be made.

A contingent asset is a possible asset arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. Contingent assets are not recognised till the realisation of the income is virtually certain. However the same are disclosed in the financial statements where an inflow of economic benefit is possible.

(11) Employee benefits

Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled.

Other long-term employee benefit obligations

The liabilities for earned leave and sick leave that are not expected to be settled wholly within 12 months are measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method.

Post-employment obligations

The Company operates the following post-employment schemes:

- (a) defined benefit plans such as gratuity; and
- (b) defined contribution plans such as provident fund.

Gratuity obligations

The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plan is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the Statement of Profit and Loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Gratuity liability of employees is funded with the approved gratuity trusts.

Defined Contribution Plans

Defined Contribution Plans such as Provident Fund, etc., are charged to the Statement of Profit and Loss as incurred. The Company contributes to Superannuation Trust for the Managerial Personnel of the Company as per the rules of the Trust.

(12) Borrowing costs

Interest and other borrowing costs attributable to qualifying assets are capitalised. Other interest and borrowing costs are charged to Statement of Profit and Loss.

(13) Earnings Per Share**Basic earnings per share**

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the Company
- average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares.

Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

(14) Impairment of Assets:

An asset is treated as impaired when the carrying cost of asset exceeds its recoverable Value. An impairment loss is charged to the statement of Profit and Loss in the year in which an asset is identified as impaired. The impairment loss recognized in earlier accounting period is reversed if there has been a change in the estimate of recoverable amount.

(15) Leases :

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. Lease under which the company assumes potentially all the risks and rewards of ownership are classified as finance lease. When acquired, such assets are capitalized at fair value or present value of the minimum lease payments at the inception of the lease, whichever is lower.

Lease payments under operating leases are recognized as expenses on straight line basis in net profit in the Statement of Profit and Loss over the lease term. Unless the payments are structured to increase in line with expected general inflation to compensate lessors expected inflationary cost increases.

(16) Cash Flow Statements

The Cash Flow statement is prepared by the "Indirect method" set out in Ind AS-7 on "Cash Flow Statement" and presents the cash flows by operating, investing and financing activities of the Company. Cash and cash Equivalent presented in the cash flow statement consist of cash on hand and demand deposits with banks.

(17) Events occurring after the balance sheet date

Assets and liabilities are adjusted for events occurring after the reporting period that provides additional evidence to assist the estimation of amounts relating to conditions existing at the end of the reporting period.

Dividends declared by the Company after the reporting period are not recognized as liability at the end of the reporting period. Dividends declared after the reporting period but before the issue of financial statements are not recognized as liability since no obligation exists at that time. Such dividends are disclosed in the notes to the financial statements.

(18) Exceptional items

Exceptional items are disclosed separately in the financial statements where it is necessary to do so to provide further understanding of the financial performance of the Group. These are material items of income or expense that have to be shown separately due to their nature or incidence.

2. Property, plant and equipment (Rs. in Lakhs)

Particular	Leasehold Land	*Freehold Land	Building	Plant and Equipment	Electric Installation	Furniture and fixtures	Vehicles	Office equipment	Computers	Total
Gross Value										
Balance as at 1st April, 2017	26.44	137.25	2,150.24	11,572.30	525.29	198.38	320.93	54.48	48.43	15,033.73
Additions	-	-	21.27	190.93	0.39	9.97	30.12	4.46	6.71	263.84
Deduction & Adjustment	0.36	-	-	197.09	1.83	4.00	20.75	-	0.57	224.59
Reclassification as held for sale	-	-	-	-	-	-	-	-	-	-
Balance as at 31st March, 2018	26.08	137.25	2,171.51	11,566.13	523.84	204.35	330.31	58.94	54.57	15,072.97
Additions	-	-	27.57	227.70	2.63	6.44	33.48	2.45	6.55	306.82
Deduction & Adjustment	0.36	-	1.13	133.09	11.89	9.81	22.69	1.30	18.17	198.44
Reclassification as held for sale	-	-	-	-	-	-	-	-	-	-
Balance as at 31st March, 2019	25.72	137.25	2,197.94	11,660.74	514.59	200.98	341.10	60.09	42.95	15,181.35
Accumulated Depreciation										
Balance as at 1st April, 2017	-	-	932.23	7,701.82	477.86	140.34	215.51	42.24	39.62	9,549.62
Depreciation for the year	-	-	49.94	230.91	7.44	9.69	31.48	4.72	7.20	341.38
Deduction & Adjustment	-	-	-	167.94	1.74	3.81	18.72	0.54	-	192.75
Reclassification as held for sale	-	-	-	-	-	-	-	-	-	-
Balance as at 31st March, 2018	-	-	982.17	7,764.79	483.57	146.23	228.27	46.41	46.82	9,698.26
Depreciation for the year	-	-	50.46	233.99	4.06	10.40	28.47	3.91	4.00	335.28
Deduction & Adjustment	-	-	0.53	113.58	11.29	9.34	21.37	1.23	17.29	174.64
Reclassification as held for sale	-	-	-	-	-	-	-	-	-	-
Balance as at 31st March, 2019	-	-	1,032.10	7,885.20	476.33	147.28	235.36	49.09	33.53	9,858.90
Net carrying amount										
Balance as at 31st March, 2018	26.08	137.25	1,189.34	3,801.34	40.28	58.13	102.04	12.53	7.74	5,374.72
Balance as at 31st March, 2019	25.72	137.25	1,165.84	3,775.54	38.25	53.70	105.73	11.00	9.42	5,322.45

* Includes 100 Shares of Rs. 10/- each (fully paid up) of The Friends Co-operative Housing Society Limited, Baroda.

3. Intangible Assets – Computer Software	
Particular	(Rs. in Lakhs)
Balance as at 1st April, 2017	16.60
Additions	3.51
Deduction & Adjustment	-
Balance as at 31st March, 2018	20.10
Additions	1.00
Deduction & Adjustment	-
Balance as at 31st March, 2019	21.10
Amortization	
Balance as at 31st March, 2017	5.86
Amortization for the year	2.24
Deduction & Adjustment	-
Balance as at 31st March, 2018	8.09
Amortization for the year	5.46
Deduction & Adjustment	-
Balance as at 31st March, 2019	13.56
Net carrying amount	
Balance as at 31 st March, 2018	12.01
Balance as at 31 st March, 2019	7.55

4. Investments (Non-Current) (Rs. In lakhs)				
PARTICULARS	As at 31.03.2019		As at 31.03.2018	
	Nos.	Rs.	Nos.	Rs.
Investments measured at Fair Value Through Profit & Loss				
In Equity Shares of Associate Companies				
Quoted, Fully Paid Up				
M/s Eurotex Industries and Exports Limited (of Rs. 10 each)	2,231,980	358.23	2,231,980	743.25
Total of Investments measured at Fair Value Through Profit & Loss		358.23		743.25
Investments measured at Amortized Cost				
In Preference Shares of Associate Companies				
Unquoted, Fully Paid Up				
6% Non-Cumulative Non-Convertible Redeemable Preference Shares of Rs. 10/- each of M/s Eurotex Industries and Exports Limited	4,600,000	117.33	5,000,000	118.15
Total of Investments measured at Amortized Cost		117.33		118.15
Total Non-Current Investments		475.56		861.40
Aggregate amount of quoted Investments		358.23		743.25
Market Value of quoted Investments		358.23		743.25
Aggregate amount of unquoted Investments		117.33		118.15

Particulars	As at 31/03/2019 (Rs. in Lakhs)	As at 31/03/2018 (Rs. in Lakhs)
5. Loans (Non-Current)		
Security Deposits (Unsecured, Considered Good)		
Deposits with Related Parties	8.00	8.00
Deposits with Others	73.94	80.15
Total	81.94	88.15

Particulars	As at 31/03/2019 (Rs. in Lakhs)	As at 31/03/2018 (Rs. in Lakhs)		
6. Other financial assets (Non-Current)				
Bank Deposit with more than 12 months maturity	0.08	0.08		
Total	0.08	0.08		
7. Other Non-Current Assets				
Capital Advances (Unsecured, Considered Good)	31.81	40.44		
Other Non-Current Assets	0.54	0.54		
Total	32.35	40.98		
8. Inventories				
Raw Materials	2,490.46	4,000.53		
Stores, Spares & Fuel	134.45	153.62		
Finished Goods	711.17	722.27		
Goods In Transit	5.19	3.52		
Stock in Process	279.28	308.13		
Cotton Waste	38.59	45.14		
Total	3,659.14	5,233.21		
9. Investments (Current) (Rs. In lakhs)				
PARTICULARS	As at 31.03.2019		As at 31.03.2018	
	Units	Rs.	Units	Rs.
Investments measured at Fair Value Through Profit & Loss				
In Mutual Funds – Quoted				
Franklin India Liquid Fund Growth	98,676.297	2,751.26	-	-
Franklin India Long short Equity	99,502.489	99.48		
IDFC Dynamic Bond Fund	-	-	589,418	121.63
HDFC High Interest Fund	-	-	1,178,851	407.86
Kotak Bond Short Term	-	-	71,149	23.05
Total Current Investments	198,178.786	2,850.74	1,839,418	552.54
Aggregate amount of quoted investments & market value thereof		2,850.74		552.54
Aggregate amount of unquoted Investments				--
Particulars	As at 31/03/2019 (Rs. in Lakhs)	As at 31/03/2018 (Rs. in Lakhs)		
10. Trade Receivables (Current)				
Unsecured, Considered good	1,382.20	778.77		
Total	1,382.20	778.77		
11. Cash and cash equivalents				
Balances with banks	521.70	320.29		
Cash on hand	9.24	4.60		
Total	530.94	324.89		
12. Bank balances other than mentioned in cash and cash equivalents				
Unclaimed Dividend	47.93	45.32		
Fixed Deposits with Banks (under lien against bank guarantees)	15.80	15.68		
Total	63.73	61.00		

Particulars	As at 31/03/2019 (Rs. in Lakhs)	As at 31/03/2018 (Rs. in Lakhs)
13. Loans (Current)		
Unsecured, Considered Good		
Loans & Advances to Employees	38.27	42.77
Total	38.27	42.77
14. Other financial assets (Current)		
Interest receivable	2.06	1.14
Total	2.06	1.14
15. Other Current Assets		
Security Deposits	5.40	6.74
Balance with Govt. Authorities	194.02	279.90
Advances to Suppliers & Others	158.47	140.72
Total	357.89	427.36

16. Share Capital				
PARTICULARS	As at 31.03.2019		As at 31.03.2018	
	Nos.	Rs. In Lakhs	Nos.	Rs. In Lakhs
Authorised Share Capital :				
Equity Shares of Rs. 10 each	10,000,000	1,000.00	10,000,000	1,000.00
Issued & Subscribed :				
Equity Shares of Rs. 10 each	8,130,000	813.00	8,130,000	813.00
Subscribed and Fully Paid Up				
Equity Shares of Rs. 10 each	8,129,020	812.90	8,129,020	812.90
Forfeited Shares				
Equity Shares of Rs. 10 each	980	0.06	980	0.06
Total	8,130,000	812.96	8,130,000	812.96

16.1 The reconciliation of the no. of shares outstanding is set out below :		
Particulars	As at 31/03/2019	As at 31/03/2018
Equity shares		
At Beginning of the period	8,130,000	8,130,000
Add : Issued during the year	--	--
Less : Bought back during the year	--	--
At End of the period	8,130,000	8,130,000

16.2 Details of shareholders holding more than 5% shares				
Name of the shareholder	As at 31.03.2019		As at 31.03.2018	
	Nos.	%	Nos.	%
M/s Eurotex Industries & Exports Ltd.	1,582,347	19.46%	1,582,347	19.46%
M/s Sambhu Inv. Pvt. Ltd.	779,320	9.59%	779,320	9.59%
M/s Patodia Syntex Ltd.	712,957	8.77%	712,957	8.77%
M/s Trikon Inv. Pvt. Ltd.	557,834	6.86%	557,834	6.86%

16.3	The Company has only one class of shares i.e. equity shares. All equity shares carry equal rights with respect to voting and dividend.
16.4	In the event of liquidation of the Company, the equity shareholders shall be entitled to proportionate share of their holding in the assets remaining after distribution of all preferential amounts.
16.5	Subsequent to Balance Sheet date, the Board of Director has recommended a dividend of Rs. 0.60 per share to be paid on fully paid equity shares in respect of the Financial year ended on March 31, 2019. This equity dividend is subject to approval by shareholders at the ensuing Annual General Meeting and has not been included as a liability in these financial statements. The total estimated equity dividend to be paid is Rs. 41.27 lakhs and the dividend distribution tax thereon amounts to Rs. 8.49 Lakhs.
16.6	Pursuant to draft letter of offer submitted by the company, SEBI has vide its letter dated 29 th March, 2019 permitted for buy back of 12,50,000 equity shares of Rs. 10 each for cash at Rs. 80 per equity share and the same was under process as on Balance Sheet date.

Particulars	As at 31/03/2019 (Rs. in lakhs)	As at 31/03/2018 (Rs. in lakhs)
17. Other Equity		
SHARE CAPITAL FORFEITURE	0.17	0.17
SHARE PREMIUM	361.05	361.05
GENERAL RESERVE:		
Balance as per last year	7,331.57	7,131.57
Add: Appropriations From Current year's Profit	150.00	200.00
Balance at the end of the Year	7,481.57	7,331.57
SURPLUS IN STATEMENT OF PROFIT AND LOSS		
Balance at the beginning of the Year	2,592.32	2,293.75
Add: Total Comprehensive Income for the year	494.53	792.09
Amount available for Appropriation (A)	3086.85	3,085.84
<u>Less: Appropriations</u>		
Dividend	(284.52)	(243.87)
Dividend Distribution Tax	(58.48)	(49.65)
Transferred to General Reserves	(150.00)	(200.00)
Total Appropriation (B)	(493.00)	(493.52)
Balance at the end of the Year (A - B)	2593.85	2,592.32
TOTAL	10,436.64	10,285.11
18. Borrowings (Non-Current) – Non Current interest-bearing loans and borrowings		
Term loans		
From Banks		
Secured	--	117.75
Total	--	117.75
18.1 Details of Security & Repayment Terms		
Term loan of Rs. 1100 Lacs from IDBI Bank Ltd. is secured by hypothecation of movable current assets (subject to prior charge of SBI and IDBI Bank for working capital facilities) and also secured by first charge pari passu with EXIM Bank by way of mortgage of immovable properties (excluding assets of windmills). The same is repayable in 6 quarterly installments ending by 23rd September, 2019.		
Term loan of Rs. 560 Lacs from EXIM Bank is secured by hypothecation of movable fixed assets (excluding assets of windmills) and also secured by first charge pari passu with IDBI Bank by way of mortgage of immovable properties. The same is repayable in 7 quarterly installments ending by 20th December, 2019.		
19. Other financial liabilities (Non-Current)		
Security Deposits (From Debtors, Employees and Contractors)	1.25	1.25
Total	1.25	1.25
20. Provisions (Non-Current)		
Employees Privilege Leave	98.46	79.45
Gratuity	4.25	-
Total	102.71	79.45
21. Deferred Tax Liabilities (Net)		
Liability Relating to earlier years	766.18	1,002.84
Add/(Less): Liability/(Assets) for the year	(48.26)	(236.66)
NET TOTAL	717.92	766.18

Particulars	As at 31/03/2019 (Rs. in Lakhs)	As at 31/03/2018 (Rs. in Lakhs)
21.1 Component of Deferred Tax Liabilities (Net)		
Depreciation	948.43	916.64
Employee Benefits	(80.87)	(79.41)
Other Timing Differences	(149.64)	(71.05)
Total	717.92	766.18
22. Borrowings (Current) – Current interest-bearing loans and borrowings		
Working Capital Loans		
From banks		
Secured*	1,397.81	400.24
Total	1,397.81	400.24
* Secured by first pari passu charge (favouring SBI and IDBI Bank) by way of hypothecation of current assets and also by mortgage of immovable properties of the company subject to prior charge of EXIM Bank and IDBI for their term loans (except assets of windmills).		
23. Trade Payables (Current)		
Micro, Small and Medium Enterprises	142.30	58.53
Others	259.40	306.08
Total	401.70	364.61
23.1 Details as required under MSMED Act are given below		
Principal amount due to any supplier registered under MSMED Act and remaining unpaid as at the end of accounting year	142.30	58.53
Interest due to any supplier registered under MSMED Act and remaining unpaid as at the end of accounting year	NIL	NIL
Amount of interest paid by the Company in terms of section 16 of the MSMED Act, along with the amount of the payment made to the supplier beyond the appointed day during the accounting year	N. A.	N. A.
Amount of interest due and payable for the reporting period of delay in making payment [which have been paid but beyond the appointed day during the year] but without adding the interest specified under the MSMED Act	N. A.	N. A.
Amount of interest accrued and remaining unpaid at the end of the accounting year.	N. A.	N. A.
Amount of further interest remaining due and payable even in succeeding years, untill such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under Section 23 of MSMED Act.	N. A.	N. A.
The above information regarding micro, small and medium enterprises has been determined to the extent such parties have been identified on the basis of information available with the company.		
24. Other Financial Liabilities (Current)		
Current maturities of long-term debt	117.75	245.50
Interest accrued	0.01	0.03
Unpaid dividends	47.93	45.32
Dues to Employees and others	238.94	174.26
Total	404.63	465.11
25. Other Current liabilities		
Credit Balances of Customers	9.84	15.92
Statutory Dues	52.64	46.85
Other Current Liabilities	207.41	233.30
Total	269.89	296.07

Particulars	As at 31/03/2019 (Rs. in lakhs)	As at 31/03/2018 (Rs. in lakhs)
26. Provisions (Current)		
Employees' Privilege Leave	33.60	31.79
Bonus	168.77	174.21
Gratuity	3.60	--
Total	205.97	206.00
27. Current Tax Liabilities		
Provision for taxation (Net of advance tax paid)	53.42	4.29
Total	53.42	4.29

NOTES TO THE STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 ST MARCH, 2019		
Particulars	2018-19 (Rs. in lakhs)	2017-18 (Rs. in lakhs)
28. Revenue from operations		
Sale of products (including excise duty)	21,001.05	19,619.67
Other Operating Revenue		
Duty Draw Back	92.92	74.67
Sale of Scrap	7.51	3.61
Total	21,101.48	19,697.95
28.1 Sale of Products		
Yarn	20,039.01	18,626.66
Cotton/Yarn Waste	809.35	849.92
Sale of Electricity Units	152.69	143.09
Total	21,001.05	19,619.67
29. Other income		
Interest income	37.94	62.77
Net Gain on sale of Investments	208.66	150.69
Insurance claims Received	46.76	16.16
Net Gain on sale of fixed assets	22.88	4.89
Foreign Exchange Fluctuation Gain	8.80	27.33
Effect of fair valuation of investments	32.62	-
Excess Provision/Sundry Balances written back	57.32	74.17
Other Miscellaneous Income	6.69	0.42
Total	421.67	336.43
30. Cost of materials consumed		
Opening Stock	4,000.53	4,029.79
Add : Purchases	11,520.27	12,454.68
Sub Total	15,520.80	16,484.47
Less : Closing Stock	2,490.46	4,000.53
Total	13,030.34	12,483.94

Particulars	2018-19 (Rs. in lakhs)	2017-18 (Rs. in lakhs)
31. Changes in Inventories of Finished goods, WIP and Waste		
Closing Stock		
Finished Goods	711.17	722.27
WIP	279.28	308.13
Waste	38.59	45.13
Total	1,029.04	1,075.53
Opening Stock		
Finished Goods	722.27	617.90
WIP	308.13	286.30
Waste	45.13	43.39
Total	1,075.53	947.59
Total (Increase) / Decrease In Stock	46.49	(127.94)
32. Employee benefit expense		
Salaries and wages	1,989.62	1,860.53
Contribution to provident and other funds	189.77	214.79
Managerial Remuneration	134.63	116.42
Staff welfare expenses	88.12	77.60
Total	2,402.14	2,269.34
33. Finance costs		
Interest Expenses	24.72	28.03
Finance and Bank Charges	74.31	50.18
Total	99.03	78.21
34. Other expenses		
Consumption of stores and packing material	470.18	444.88
Power and fuel	2,661.54	2,659.36
Yarn Processing Charges	-	0.20
Rent	50.33	48.81
<u>Repairs:-</u>		
Machinery (including spares)	292.39	245.21
Building	54.70	36.01
Others	40.64	24.35
Insurance	47.32	42.88
Rates and Taxes	32.84	62.64
License Fees, Legal & Professional Charges	67.59	48.68
Sales and Distribution Expenses	414.01	378.33
Travelling and conveyance	141.42	135.54
Directors Sitting Fees	4.80	4.10
Audit Fees and Expenses	4.09	4.82
Donation	5.19	2.57
Foreign Exchange Fluctuation Loss	31.56	-
CSR Expenses	42.55	22.30
Loss on sale of Fixed Assets	0.86	-
Effect of fair valuation of investments	466.93	114.45
Other Miscellaneous Expenses	67.32	70.23
Total	4,896.26	4,345.36

Particulars	2018-19 (Rs. in lakhs)	2017-18 (Rs. in lakhs)
34.1 Auditor Remuneration		
As auditor :		
Audit fee	4.00	4.00
Reimbursement of expenses	0.09	0.82
Total	4.09	4.82
35. Earning Per Share		
Net Profit for the year attributable to Equity Shareholders (Rs. In Lakhs)	456.87	713.87
Less: Dividend on Preference Shares	--	--
Net Profit / (Loss) attributable to Equity Shareholders	456.87	713.87
Add\Less: Extra Ordinary Items	--	--
Profit / (Loss) after taxation before Extra Ordinary Items	456.87	713.87
Weighted Average number of Equity Shares outstanding of Face Value of Rs. 10 each.	81,30,000	81,30,000
Number of Equity Shares for Basic EPS	81,30,000	81,30,000
Add : Diluted Potential Equity Shares	--	--
Number of Equity Shares for Diluted EPS	81,30,000	81,30,000
Basic Earning Per Share (Rs.)	5.62	8.78
Diluted Earning Per Share (Rs.)	5.62	8.78
Nominal Value Per Share (Rs.)	10.00	10.00
36. Lease Rent		
Operating Lease		
Future Minimum lease payments obligation on operating lease	39.92	40.30
Not later than one year	0.38	0.38
Later than one year and not later than five years	1.54	1.54
Later than five years	38.00	38.38
Lease Payment recognized in Statement of Profit and Loss	0.38	0.38
37. Related Party Disclosures		
As per the Indian Accounting Standard on "Related Party Disclosures" (Ind AS 24), the related parties of the Company are as follows:		
37.1 Name of the Related Parties and Nature of Relationship:		
Associates & Enterprises owned or significantly influenced by key management personnel (with whom the Company entered into transactions during the year)		
M/s Patodia Syntex Limited	M/s B. L. Patodia Family Trust	
M/s Eurotex Industries and Exports Limited	M/s Murarilal Mahendrakumar	
M/s Trikon Investments Pvt. Limited	M/s Brijlal Purushottamdas	
M/s Sambhu Investments Pvt. Limited	M/s Dharamchand Keshardeo	
M/s Shashank Investments Pvt. Limited	M/s Chandramauli Investments Pvt. Limited	
M/s Veepee Intrades Pvt. Limited	M/s Suragini Investments Pvt. Limited	
M/s. Star Silk Exports Pvt. Limited	M/s. Mercury Gems Pvt. Ltd.	
Key Managerial Personnel/Directors and Relatives:		
Shri Gopal Patodia	Managing Director	
Shri Mohan Kumar Patodia	Managing Director cum Chief Financial Officer	
Shri Amit Patodia	Senior President cum Chief Executive Officer	
Shri Mukesh Prajapat	Assistant Company Secretary	

37.2 Transactions with Related Parties (Rs. In lakhs) :		
Transactions	Associates & Enterprises owned or Significantly influenced by KMP	Key Managerial Personnel
<u>Purchase of Goods:-</u>		
M/s Eurotex Industries and Exports Limited	0.69	--
<u>Sale of Goods:-</u>		
M/s Eurotex Industries and Exports Limited	117.14	--
<u>Rent Paid:-</u>		
M/s Patodia Syntex Limited	1.20	--
M/s Trikon Investments Pvt. Limited	1.20	--
M/s Sambhu Investments Pvt. Limited	7.80	--
M/s B. L. Patodia Family Trust	2.88	--
M/s Murarilal Mahendrakumar	4.50	--
M/s Brijlal Purushottamas	1.80	--
M/s Dharamchand Keshardeo	1.80	--
M/s Eurotex Industries and Exports Limited	1.80	--
<u>Rent Received:-</u>		
M/s Shashank Investments Pvt. Limited	0.03	--
M/s Veepee Intrades Pvt. Limited	0.03	--
M/s Chandramauli Investments Pvt. Limited	0.03	--
M/s Suragini Investments Pvt. Limited	0.03	--
<u>Sale of Investments :-</u>		
M/s. Star Silk Exports Pvt. Limited	40.00	--
<u>Remuneration to KMP:-</u>		
Managing Directors	--	146.15
Chief Executive Officer	--	47.92
Company Secretary	--	3.76

37.3 Outstanding Balances as on 31st March, 2019 (Rs. In lakhs) :		
Transactions	Associates & Enterprises owned or Significantly influenced by KMP	Key Managerial Personnel
Security deposits given :-		
M/s. Trikon Investments Pvt. Limited	6.00	--
M/s. Sambhu Investments Pvt. Limited	2.00	--
Investments in 22,31,980 Equity Shares of Rs. 10/- each of M/s. Eurotex Industries and Exports Limited (Stated at Fair Value through Profit & Loss) (Purchase Value Rs. 545.90 Lakhs)	358.23	--
Investments in 46,00,000 6% Non-Cumulative Non-Convertible Redeemable Preference Shares of Rs. 10/- each of M/s. Eurotex Industries and Exports Limited. (Stated at Amortized Cost) (Purchase Value Rs. 460 Lakhs)	117.32	--
Receivable for Sales from M/s. Eurotex Industries and Exports Limited	116.46	--
Remuneration Payable to Managing Directors	--	30.76

38. Contingent Liabilities and Commitments (Rs. In lakhs) :			
Particulars		2018-19	2017-18
Contingent Liabilities			
Entry tax demands for different years against which company has preferred appeals before appropriate authorities		2.16	2.16
Claim by Director of Industries, Gujarat in Gujarat High Court for non-delivery of yarn in the year 1978		1.09	--
Bonus for employees for the year 2014-15 in accordance with notification by the Central Government (matter pending before Supreme Court)		142.79	142.79
Bills discounted under Export/Inland Letters of Credit		612.99	262.91
Commitments			
Estimated amount of contracts remaining unexecuted on capital account and not provided for in Books (net of advances)		316.28	432.78
Other commitments		--	--
39. Segment Information			
The company manufactures and deals mainly in single major product, i.e. manufacturing of cotton yarn. Therefore no separate disclosure as per Ind AS 108 - "Operating Segments" is given.			
40. Corporate Social Responsibility			
(a) Gross amount required to be spent by the company during the year		Rs. 51.41 Lakhs	
(b) Amount spent during the year on (Rs. In lakhs) :			
Particulars	Amount Spent	Yet to be Spent	Total
(i) construction/acquisition of any asset	--	--	--
(ii) on purposes other than (i) above	42.55	8.86	51.41
41. Income Taxes (Rs. In Lakhs)			
Particulars		2018-19	2017-18
The major components of income tax expense for the year as under:			
Current tax		370.00	226.36
Deferred tax			
In respect of Accumulated Depreciation		31.80	(184.16)
In respect of Investments, employee benefits and other timing differences		(95.54)	(52.50)
Total deferred tax		(63.74)	(236.66)
Adjustment of tax for earlier years		(54.98)	(71.84)
Total tax expenses charged to statement of Profit and Loss		251.27	(82.14)
41.1 Reconciliation of Effective Tax Rate (Rs. In Lakhs)			
Particulars		2018-19	2017-18
Applicable Tax Rate		29.12%	33.06%
Profit before tax		708.15	631.73
Income tax expense at tax rates applicable to individual entities		206.21	208.87
Income exempt from tax		(15.38)	(17.34)
Expenses that are not deductible		16.83	11.69
Difference on account of Indexation Benefits		(16.92)	(16.24)
Impact of changes in tax rates		35.80	(155.77)
Others		24.73	(113.35)
Income Tax Expenses recognised in Statement of Profit and Loss		251.27	(82.14)

42. DISCLOSURES AS REQUIRED BY INDIAN ACCOUNTING STANDARD (IND AS) 19 "EMPLOYEE BENEFITS"			
(a) Defined contribution plans			
Contribution to defined contribution plans, recognized as expense for the year is as under (Rs. In Lakhs) :			
Particulars		2018-19	2017-18
Employer's contribution to Provident Fund		50.44	52.63
Employer's contribution to Superannuation Fund		19.01	17.28
Employer's contribution to Pension Scheme		71.83	72.04
(b) Defined benefit plan			
Details of defined benefit obligation and plan assets in respect of retiring gratuity are given below			
i)	Reconciliation of opening and closing balances of defined benefit obligation (Rs. In Lakhs)		
	Particulars	2018-19	2017-18
	Present value of obligation as at the beginning of the year	1,168.75	1,178.54
	Interest Cost	79.08	77.12
	Current Service Cost	71.31	73.31
	Benefits Paid	(49.61)	(49.10)
	Actuarial (Gain)/Loss on arising from Change in Financial Assumption	(13.64)	(86.55)
	Actuarial (Gain)/Loss on arising from Experience Adjustment	(36.25)	(24.57)
	Present value of obligation as at the end of the year	1,219.64	1,168.75
ii)	Reconciliation of opening and closing balances of fair value of plan assets (Rs. In Lakhs)		
	Particulars	2018-19	2017-18
	Fair Value of plan assets at the beginning of the year	1,220.72	1,148.88
	Interest Income	85.66	77.60
	Contributions by the employer	1.79	37.60
	Benefits paid	(49.60)	(49.10)
	Return on plan assets	3.24	5.74
	Fair Value of plan assets at the end of the year	1,261.81	1,220.72
iii)	Reconciliation of fair value of assets and obligations (Rs. In Lakhs)		
	Particulars	2018-19	2017-18
	Fair Value of plan assets	1,261.81	1,220.72
	Present value of obligation	1,219.64	1,168.75
	Amount recognized in Balance Sheet [Surplus/(Deficit)]	42.17	51.98
iv)	Expenses recognized during the year (Rs. In Lakhs)		
	Particulars	2018-19	2017-18
	(A) In the Statement of Profit & Loss		
	Interest Cost	(6.58)	(0.48)
	Current Service Cost	71.30	73.31
	Net Cost	64.72	72.83
	(B) In Other Comprehensive Income		
	Actuarial (Gain)/Loss	(49.90)	(111.12)
	Return on Plan Assets	(3.24)	(5.74)
	Net Expense/(Income) recognized in Other Comprehensive Income	(53.14)	(116.86)
v)	Investment Details:		
	Particulars	2018-19	2017-18
	GOI Securities	-	--
	Insurance Plan	100%	100%
	Others	-	--

vi)	Actuarial Assumptions		
	Particulars	2018-19	2017-18
	Mortality Table	ISL (2006-08)	ISL (2006-08)
	Discount Rate	7.60%	7.50%
	Expected rate of return on plan assets	7.60%	7.50%
	Rate of escalation in salary	10.00%	10.00%
vii)	Sensitivity Analysis		
	Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase and employee turnover. The sensitivity analysis below, have been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant. The result of sensitivity analysis on defined benefit obligation is given below (Rs. In Lakhs):		
	Particulars	2018-19	2017-18
	Sensitivity Level - Discount Rate		
	0.5% Increase	1,163.91	1,114.31
	0.5% Decrease	1,280.17	1,227.86
	Sensitivity Level - Salary Escalation		
	0.5% Increase	1,277.66	1,225.19
	0.5% Decrease	1,165.67	1,116.24
	Sensitivity Level - Withdrawal Rate		
	W.R. X 110%	1,218.25	1,166.95
	W.R. X 90%	1,221.10	1,170.63
viii)	Expected contribution to the defined benefit plan for the next reporting period - Rs. 71.51 lakhs		
43. Financial Instruments - Fair Values & Risk Management			
43.1 Accounting Classifications & Fair Value Measurements			
The fair values of the financial assets and liabilities are measured at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.			
All financial instruments are initially recognized and subsequently re-measured at fair value as described below :			
1.	The fair value of investment in quoted equity shares and mutual funds is measured at quoted price or NAV.		
2.	Fair values of cash and short term deposits, trade and other short term receivables, trade payables, other current liabilities, short term loans from banks and other financial institutions approximate their carrying amounts largely due to short-term maturities of these instruments.		
3.	Financial instruments with fixed and variable interest rates are evaluated by the Company based on parameters such as interest rates and individual credit worthiness of the counterparty. Based on the evaluation, allowances are taken to account for the expected losses of these receivables.		
4.	The fair value of forward foreign exchange contracts and currency swaps is determined using forward exchange rates and yield curves at the balance sheet date.		
The company uses the following hierarchy for determining and disclosing the fair values of financial instruments by valuation technique:			
	Level 1 : Quoted prices (unadjusted) in active markets for identical assets or liabilities.		
	Level 2 : Inputs other than the quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.		

I. Figures as at March 31, 2018 (Rs. In Lakhs)			
Particulars	Carrying Amount	Fair value	
		Level 1	Level 2
Financial assets at amortised cost:			
Investments (Non-Current)	118.15	--	118.15
Security Deposits (Non-Current)	88.15	--	88.15
Bank Deposits (Non-Current)	0.08	--	0.08
Trade Receivables	778.77	--	778.77
Cash and Cash Equivalents	324.89	--	324.89
Bank Balances Other than Cash and Cash Equivalents	61.00	--	61.00
Other Current Financial Assets	43.91	--	43.91
TOTAL	1,414.94	--	1,414.94
Financial assets at fair value through profit or loss:			
Investments (Current)	552.54	552.54	--
Investments (Non-Current)	743.25	743.25	--
TOTAL	1,295.79	1,295.79	--
Financial liabilities at amortised cost:			
Borrowings (Non-Current)	117.75	--	117.75
Borrowings (Current)	400.24	--	400.24
Trade Payables	364.61	--	364.62
Other financial liabilities	466.36	--	466.36
TOTAL	1,348.96	--	1,348.96
Financial liabilities at fair value through profit or loss:			
TOTAL	--	--	--
II. Figures as at March 31, 2019 (Rs. In Lakhs)			
Particulars	Carrying Amount	Fair value	
		Level 1	Level 2
Financial assets at amortised cost:			
Investments (Non-Current)	117.33	-	117.33
Security Deposits (Non-Current)	81.94	-	81.94
Bank Deposits (Non-Current)	0.08	-	0.08
Trade Receivables	1,382.20	-	1,382.20
Cash and Cash Equivalents	530.94	-	530.94
Bank Balances Other than Cash and Cash Equivalents	63.73	-	63.73
Other Current Financial Assets	40.33	-	40.33
TOTAL	2,216.56	-	2,216.56
Financial assets at fair value through profit or loss:			
Investments (Current)	2,850.74	2,850.74	-
Investments (Non-Current)	358.23	358.23	-
TOTAL	3,208.97	3,208.97	-
Financial liabilities at amortised cost:			
Borrowings (Non-Current)	-	-	-
Borrowings (Current)	1,397.81	-	1,397.81
Trade Payables	401.70	-	401.70
Other financial liabilities	405.88	-	405.88
TOTAL	2,205.39	-	2,205.39
Financial liabilities at fair value through profit or loss:			
TOTAL	--	--	--

44. Financial Risk Management				
The company's Board of Directors has overall responsibility for the establishment and oversight of the company's risk management framework. The company's risk management policies are established to identify and analyse the risks faced by the company, to set appropriate risk limits and controls and to monitor risks. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the company's activities.				
44.1 Credit Risk Management				
Credit risk arises from the possibility that counter party may not be able to settle their obligations as agreed. To manage this, the Company periodically assesses the financial reliability of customers, taking into account the financial condition, current economic trends and ageing of accounts receivable. Individual risk limits are set accordingly.				
The ageing analysis trade receivables from the date the invoice falls due is given below: (Rs. In Lakhs)				
Particulars	As at 31-03-2019	As at 31-03-2018		
Up to 3 months	1,363.74	778.77		
3 to 6 months	18.46	--		
More than 6 months	-	--		
Total	1,382.20	778.77		
Details of single customer accounted for more than 10% of the accounts receivables as at 31 st March, 2019 and 31 st March, 2018 (Rs. In Lakhs) :				
Name of Customer	As at 31-03-2019	As at 31-03-2018		
J. G. Hosiery Private Limited	166.56	-		
Details of single customer accounted for more than 10% of revenue for the year ended at 31 st March, 2019 and 31 st March, 2018 (Rs. In Lakhs):				
Name of Customer	As at 31-03-2019	As at 31-03-2018		
BYC Co. Ltd.	3,291.33	2,744.19		
Based on historic default rates and overall credit worthiness of customers, management believes that no impairment allowance is necessary in respect of outstanding trade receivables as on 31st March 2019.				
44.2 Liquidity Risk				
Liquidity Risk is defined as the risk that the company will not be able to settle or meet its obligations on time or at reasonable price. The company's treasury department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. Management monitors the company's net liquidity position through rolling forecast on the basis of expected cash flows.				
Maturity profile of financial liabilities				
The table below provides details regarding the remaining contractual maturities of financial liabilities at the reporting date based on contractual undiscounted payments (Rs. In Lakhs).				
Particulars	Borrowings including interest obligations	Trade Payables	Other Financial Liabilities	Total
As at 31st March, 2019				
Less than 1 year	1,515.56	401.70	286.88	2,204.14
1 to 5 years	-	-	1.25	1.25
Total	1,515.56	401.70	288.13	2,205.39
As at 31st March, 2018				
Less than 1 year	645.77	364.62	219.58	1,229.97
1 to 5 years	117.75	--	1.25	119.00
Total	763.52	364.62	220.83	1,348.97
44.3 Market risk				
Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, equity prices and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including investments and deposits, foreign currency receivables, payables and loan borrowings.				
The Company manages market risk through a treasury department, which evaluates and exercises independent control over the entire process of market risk management. The treasury department recommends risk management objectives and policies, which are approved by Senior Management and the Audit Committee. The activities of this department include management of cash resources, implementing hedging strategies for foreign currency exposures, borrowing strategies, and ensuring compliance with market risk limits and policies.				

44.4 Interest rate risk				
Interest rate risk is the risk that fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. In order to optimize the company's position with regards to the interest income and interest expenses and to manage the interest rate risk, treasury performs a comprehensive corporate interest rate risk management by balancing the proportion of fixed rate and floating rate financial instruments in its total portfolio.				
With all other variables held constant, the following table demonstrates the impact of the borrowing cost on floating rate portion of loans and borrowings and excluding loans on which interest rate swaps are taken (Rs. in lakhs).				
Nature of Borrowing	Change in basis points	Impact on PAT		
		As at 31-03-2019	As at 31-03-2018	
Term Loans from Bank	(0.50)	0.42	1.22	
	0.50	(0.42)	(1.22)	
Working Capital Facilities from Bank	(0.50)	4.95	1.34	
	0.50	(4.95)	(1.34)	
44.5 Foreign currency risk				
The company operates internationally and is exposed to currency risk on account of its receivables in foreign currency. The functional currency of the company is Indian Rupee. The company uses forward exchange contracts to hedge its currency risk, most with a maturity of less than one year from the reporting date.				
The company does not use derivative financial instruments for trading or speculative purposes.				
I. Foreign Currency Exposure				
Particulars	As at 31-03-2019		As at 31-03-2018	
	USD	Euro	USD	Euro
Financial Assets				
Trade & Other Receivables	400,272.52	-	75,257.00	17,804.27
Less : Forward Contract for selling foreign currency	(400,272.52)	-	(75,257.00)	--
Total	-	-	--	17,804.27
Financial Liabilities	-	-	--	--
Net Exposure	-	-	--	17,804.27
II. Foreign Currency Sensitivity				
The sensitivity of profit or loss and equity to changes in the exchange rates arises mainly from foreign currency denominated financial instruments as below :				
Particulars	Movement in Rate	Impact on PAT		
		2018-19	2017-18	
USD	5%	--	--	
USD	(5%)	--	--	
EURO	5%	--	0.48	
EURO	(5%)	--	(0.48)	
44.6 Price Risk				
→ Investment Price Risk				
The company's exposure to price risk arises from investments in equity and mutual fund held by the company and classified in the balance sheet at fair value through profit or loss. To manage its price risk arising from investments, the company diversifies its portfolio.				
Sensitivity Analysis				
The table below summarises the impact of increase/decrease of the index on the company's equity and profit for the period. The analysis is based on the assumption that the price of the instrument has increased by 3% or decreased by 3% with all other variables held constant.				
Particulars	Movement in Rate	Impact on PAT		
		2018-19	2017-18	
Mutual Funds (Quoted)	3%	60.62	11.10	
Mutual Funds (Quoted)	(3%)	(60.62)	(11.10)	
Equity Shares (Quoted)	3%	7.62	14.93	
Equity Shares (Quoted)	(3%)	(7.62)	(14.93)	

→ Commodity Price Risk

Principal Raw Material for company's products is cotton. Company sources its raw material requirements from domestic markets. Company effectively manages availability of material as well as price volatility through well planned procurement and inventory strategy and also through appropriate contracts and commitments.

Sensitivity Analysis

The table below summarises the impact of increase/decrease in prices of cotton by Rs. 1 per kg on profit for the period (Rs. in lakhs) :

Particulars	Impact on PAT	
	2018-19	2017-18
Rs. 1 decrease in price of cotton	78.05	72.90
Rs. 1 increase in price of cotton	(78.05)	(72.90)

45. Capital management

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

The company monitors capital using gearing ratio, which is net debt divided by total equity plus debt (Rs. in lakhs) :

Particulars	As at 31-03-2019	As at 31-03-2018
Borrowings	1,515.56	763.49
Less : Cash & Cash Equivalents	530.94	324.89
Net Debt (A)	984.61	438.60
Total Equity	11,249.60	11,098.07
Equity and Net Debt (B)	12,234.21	11,536.67
Gearing Ratio (A/B)	0.08	0.04

46.	In the opinion of the Board, the current assets, loans and advances are approximately of the value stated in the balance sheet, if realised in the ordinary course of the business. Provision for depreciation and all known liabilities have been made in accounts.
47.	Letters of balance confirmation have been sent to various parties which are subject to confirmation and reconciliation, if any.
48.	In terms of Ind AS 36 – Impairment of Assets issued by ICAI, the management has reviewed its fixed assets and arrived at the conclusion that impairment loss which is difference between the carrying amount and recoverable value of assets, was not material and hence no provision is required to be made.
49.	Previous year's figures have been regrouped/re-arranged/recasted, wherever necessary, so as to make them comparable with current year's figures.

As per our Attached Report of even date
For Chandulal M. Shah & Co.
Chartered Accountants
 Firm Registration No. 101698W

CA. B. M. Zinzuvadia (Partner)
 Membership No. 109606
 Place: Ahmedabad
 Date: 29th May, 2019

Shri Krishan Kumar Patodia
Shri Gopal Patodia
Shri Ashok Pandit
Shri Jugalkishore Todi
Smt. Vinita Devi Modi
Shri Mukesh Prajapat

Place: Vadodara
 Date: 29th May, 2019

(DIN: 00027335) Chairman
 (DIN: 00014247) Managing Director
 (DIN: 08132980) Independent Director
 (DIN: 00598697) Independent Director
 (DIN: 06965473) Independent Director
 Assistant Company Secretary

INDEPENDENT AUDITOR'S REPORT

**To the Members of
PBM Polytex Limited**

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of **PBM Polytex Limited** (the 'Company') and its associate company M/s. Eurotex Industries and Exports Limited (hereinafter referred to as "Associate Company" and together referred to as the "Group") which comprise the Consolidated Balance Sheet as at March 31, 2019, and the Consolidated Statement of Profit and Loss (including other comprehensive income), Consolidated Statement of changes in equity and Consolidated Statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Sec. 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 as amended ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Company as at March 31, 2019, and their consolidated its profit, their consolidated comprehensive income, the changes in equity and its cash flows for the year then ended on that date.

Basis for Opinion

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

Key Audit Matters

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

Valuation of Investments

The company carries its investments in its associate company and mutual funds at fair value. As at 31st March, 2019, total investments amounted to Rs. 3398.95 Lakhs and represent 22.85% of total assets. Further disclosures on the investments are given in Note No. 4 and 9.

The fair value exercise involves the use of estimates and judgements specifically in respect of unquoted preference shares, which are carried at amortized cost. Other investments carried at fair value through profit or loss (FVTPL) were listed on stock exchanges and hence quoted market prices/NAV were readily available for fair valuation.

Principal Audit Procedures

Our audit procedures included updating our understanding of the processes employed by the company for accounting for and valuing their investment portfolio.

We reviewed the valuation methods used and discussed with the management regarding the reasonableness of the basis and assumptions used in respect of valuation of unquoted investments. We cross-checked valuation of quoted investments with market rates at the year end.

Measurement of provisions for employee emoluments and benefits

The company has made provisions for employee benefits and revision of wages. The estimates made by the management regarding the existence of an obligation as well as the forecast of future cash outflows in connection with these obligations directly impact the recognition and measurement of provisions. The management also make use of their judgements for provisions concerning the legal disputes under negotiations.

Principal Audit Procedures

We examined the processes and controls set up to prevent or detect and correct errors relating to the complete recognition and measurements of provisions involving the use of judgement.

External actuaries were engaged to determine the amounts of provisions of gratuity and leave encashment. We examined the data made available to actuaries for completeness and accuracy. We reviewed the assumptions including the discount rate, expected return on plan assets, escalation rate, etc.

In respect of provision for wage revision, we conducted a critical review of internal analysis notes for the likelihood and potential impact, examining the available documents.

Information other than Financial Statements & Auditor's Report thereon.

The Company's Board of Directors is responsible for the Other Information. The Other Information comprises the information included in the Board's Report including Annexures to Board's Report and Management Discussion and Analysis Report (but does not include the standalone financial statements, consolidated financial statements and our auditor's reports thereon). We have been provided draft Board's Report and annexures, Management Discussion and Analysis which are subject to approval by Board of Directors in their next meeting.

Our opinion on the consolidated financial statements does not cover the Other Information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information, compare with the financial statements of Associate company audited by the other auditor, to the extent to it relates to this entity and, in doing so, place reliance on work of other auditor and consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. Other information so far as its relates to the associate company is traced from their financial statements audited by other auditors.

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

Management's Responsibility for the Consolidated Financial Statements

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

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

The respective Board of Directors of the companies included in the Group and of its associate are also responsible for overseeing the financial reporting process of the Group and of its associate.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements:-

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

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

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

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

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

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

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

Other Matter

The Consolidated financial statements also include the Group's share of net loss of Rs. 445.70 Lakh for the year ended March 31, 2019, as considered in the consolidated financial statements in respect of an associate company, whose financial statements have not been audited by us. These financial statements have been audited by other auditor whose report has been furnished by the Management and our opinion on the consolidated financial statements, in so far as it relates to the aforesaid associate, is based solely on the reports of the other auditor.

Our opinion on the consolidated financial statements above and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

1. 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 are 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 it appears from our examination of those books.
- (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including other comprehensive income and the Consolidated Cash Flow Statement, Statement of changes in Equity dealt with by this Report are in agreement with the books of account maintained by the company and its associate company including its relevant records relating to the preparation of the consolidated financial statement.
- (d) In our opinion, the aforesaid Consolidated financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the directors as on 31st March, 2019 taken on record by the Board of Directors of the company and the report of the statutory auditor of its associate company, none of the directors of the company and its associate company is disqualified as on 31st March, 2019 from being appointed as a director in terms of Section 164(2) of the Act.
- (f) With respect to the adequacy of internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to or separate report in "**Annexure A**".
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid/provided by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rule, 2014, in our opinion and to the best of our information and according to the explanations given to us :
 - a. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group and its associate company [Refer Note No. 38 to the Consolidated Financial Statements].
 - i. The Company and its associate did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - ii. there has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For, Chandulal M. Shah & Co.,
Chartered Accountants
FRN 101698W

CA B. M. Zinzuvadia
Partner
Mem. No. 109606

Date: 29/05/2019
Place: Ahmedabad

"ANNEXURE A" TO THE INDEPENDENT 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")

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2019, we have audited the internal financial controls over financial reporting of PBM POLYTEX LIMITED ("the Company") and its associate company which are incorporated in India as of that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' 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 on Auditing, 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 and both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining and 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 judgment, 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 an agent 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 evaluate 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 and its associate which are incorporated in India have, 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 March 31, 2019 based on the internal control over Financial reporting criteria established by the Company considering the essential components of internal control as stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accounts of India.

Other Matters

Our aforesaid reports under Clause (i) of Sub-section 3 of Section 143 of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting in so far as it relates to an associate company incorporated in India, is based on the corresponding report of the auditor of such associate company incorporated in India.

**For, Chandulal M. Shah & Co.,
Chartered Accountants
FRN 101698W**

Date: 29/05/2019
Place: Ahmedabad

**CA B. M. Zinzuvadia
Partner
Mem. No. 109606**

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2019

		(Rs. In Lakhs)		
Particulars	Notes	As at 31 st March, 2019	As at 31 st March, 2018	
I ASSETS				
1) Non-current Assets				
(a) Property, Plant and Equipment	2	5,322.45	5,374.72	
(b) Capital work-in-progress		--	--	
(c) Intangible assets	3	7.55	12.01	
(d) Financial Assets				
(i) Investments	4	548.21	994.73	
(ii) Loans	5	81.94	88.15	
(iii) Other Financial Assets	6	0.08	0.08	
(e) Other non-current assets	7	32.35	40.98	
Total Non-current Assets		5,992.58	6,510.67	
2) Current Assets				
(a) Inventories	8	3,659.14	5,233.21	
(b) Financial Assets				
(i) Investments	9	2,850.74	552.54	
(ii) Trade receivables	10	1,382.20	778.77	
(iii) Cash and cash equivalents	11	530.94	324.89	
(iv) Bank balances other than (iii) above	12	63.73	61.00	
(v) Loans	13	38.27	42.77	
(vi) Other Financial Assets	14	2.06	1.14	
(c) Other current assets	15	357.89	427.36	
Total Current Assets		8,884.97	7,421.68	
TOTAL ASSETS		14,877.55	13,932.35	
II EQUITY AND LIABILITIES				
1) Equity				
(a) Equity Share Capital	16	812.96	812.96	
(b) Other Equity	17	10,488.14	10,473.34	
Total Equity		11,301.10	11,286.30	
2) LIABILITIES				
Non-current Liabilities				
(a) Financial Liabilities				
(i) Borrowings	18	--	117.75	
(ii) Other financial liabilities	19	1.25	1.25	
(b) Provisions	20	102.71	79.45	
(c) Deferred tax liabilities (Net)	21	739.07	711.28	
Total Non-current Liabilities		843.03	909.73	
Current Liabilities				
(a) Financial Liabilities				
(i) Borrowings	22	1,397.81	400.24	
(ii) Trade payables	23			
- total outstanding dues of micro enterprises and small enterprises		142.30	58.53	
- total outstanding dues of creditors other than micro enterprises and small enterprises		259.40	306.08	
(iii) Other financial liabilities	24	404.63	465.11	
(b) Other current liabilities	25	269.89	296.07	
(c) Provisions	26	205.97	206.00	
(d) Current Tax Liabilities (net)	27	53.42	4.29	
Total Current Liabilities		2,733.42	1,736.32	
TOTAL EQUITY AND LIABILITIES		14,877.55	13,932.35	
Significant Accounting Policies and Notes to the Financial Statements	1 - 49			

As per our Attached Report of even date
For Chandulal M. Shah & Co.
Chartered Accountants
Firm Registration No. 101698W

CA. B. M. Zinzuvadia (Partner)
Membership No. 109606

Place: Ahmedabad
Date: 29th May, 2019

Shri Krishan Kumar Patodia
Shri Gopal Patodia
Shri Ashok Pandit
Shri Jugalkishore Todi
Smt. Vinita Devi Modi
Shri Mukesh Prajapat

Place: Vadodara
Date: 29th May, 2019

(DIN: 00027335) Chairman
(DIN: 00014247) Managing Director
(DIN: 08132980) Independent Director
(DIN: 00598697) Independent Director
(DIN: 06965473) Independent Director
Assistant Company Secretary

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2019

			(Rs. In Lakhs)	
Particulars		Notes	2018-19 TOTAL	2017-18 TOTAL
I	INCOME			
	Revenue from operations	28	21,101.48	19,697.95
	Other income	29	421.67	336.43
	Total Income		21,523.15	20,034.38
II	EXPENSES			
	Cost of materials consumed	30	13,030.34	12,483.94
	Changes in inventories of finished goods, Stock-in -Trade and work-in-progress	31	46.49	(127.94)
	Excise on Sales		-	10.12
	Employee benefits expense	32	2,402.14	2,269.34
	Finance costs	33	99.03	78.21
	Depreciation and amortization expense		340.74	343.62
	Other expenses	34	4,511.24	4,291.79
	Total Expenses		20,429.98	19,349.08
III	Profit/(loss) before share of profit/(loss) of associates, exceptional items and tax		1,093.17	685.30
IV	Share of profit/(loss) of an associate		(445.70)	(369.48)
V	Profit/(loss) before exceptional items and tax		647.47	315.82
VI	Exceptional Items		-	-
VII	Profit/(loss) before tax		647.47	315.82
VIII	Tax Expenses			
	Current Tax		370.00	226.36
	Deferred Tax Provision / (Reversal)		12.32	(219.36)
	Excess Provision of Income Tax of Earlier Years		(54.98)	(71.84)
			327.34	(64.84)
IX	Profit / (Loss) for the year		320.13	380.66
X	Other Comprehensive Income			
	Items that will not be reclassified to profit or loss		53.14	116.86
	Income tax relating to items that will not be reclassified to profit or loss		(15.48)	(38.64)
	Items that will be reclassified to profit or loss		-	-
	Income tax relating to items that will be reclassified to profit or loss		-	-
XI	Total Comprehensive Income for the year		357.79	458.88
XII	Net Profit attributable to:			
	Owners of the company		320.13	380.66
	Non controlling Interest		-	-
XIII	Other Comprehensive Income attributable to:			
	Owners of the company		37.66	78.22
	Non controlling Interest		-	-
XIV	Total Comprehensive Income attributable to:			
	Owners of the company		357.79	458.88
	Non controlling Interest		-	-
XV	Earning per Equity Share of face value of Rs. 10 each			
	Basic	35	3.94	4.68
	Diluted	35	3.94	4.68

As per our Attached Report of even date
For Chandulal M. Shah & Co.
Chartered Accountants
Firm Registration No. 101698W

CA. B. M. Zinzuvadia (Partner)
Membership No. 109606

Place: Ahmedabad
Date: 29th May, 2019

Shri Krishan Kumar Patodia
Shri Gopal Patodia
Shri Ashok Pandit
Shri Jugalkishore Todi
Smt. Vinita Devi Modi
Shri Mukesh Prajapat

Place: Vadodara
Date: 29th May, 2019

(DIN: 00027335) Chairman
(DIN: 00014247) Managing Director
(DIN: 08132980) Independent Director
(DIN: 00598697) Independent Director
(DIN: 06965473) Independent Director
Assistant Company Secretary

CONSOLIDATED STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31ST MARCH, 2019

		(Rs. In Lakhs)	
	Particulars	2018-19	2017-18
A	CASH FLOW FROM OPERATING ACTIVITIES		
	Profit Before taxation	647.47	315.82
	Adjustments to reconcile profit before tax to net cash flows:		
	Share of Profit/(Loss) of an associate	445.70	369.48
	Depreciation /Amortization	340.74	343.62
	Interest Income	(37.94)	(62.77)
	Interest and Other Borrowing Cost	99.03	78.21
	(Profit) / Loss on Sale of Tangible assets	(22.02)	(4.89)
	(Profit) / Loss on Sale of Investment	(208.66)	(150.69)
	Excess provision/sundry balances written back	(57.32)	(74.17)
	Effect of fair valuation of investments	49.29	60.88
	Other Comprehensive Income for gratuity	53.14	116.86
	Operating Profit before Working Capital Changes	1,309.43	992.35
	Working Capital Changes:		
	Changes in Inventories	1,574.07	(84.44)
	Changes in trade and other receivables	(517.34)	60.41
	Changes in trade and other payables	156.14	(288.89)
	Net Changes in Working Capital	1,212.87	(312.92)
	Cash Generated from Operations	2,522.30	679.43
	Direct Taxes paid (Net of Income Tax refund)	(265.88)	(270.02)
	Net Cash flow from Operating Activities	2,256.42	409.41
B	CASH FLOW FROM INVESTING ACTIVITIES		
	Purchase of property, plant & equipment/intangible assets	(307.46)	(219.83)
	Sale of property, plant & equipment	45.47	36.73
	Proceeds from Sale of Investment	(2,138.00)	669.72
	Interest Income	37.02	64.18
	Net Cash flow from Investing Activities	(2,362.97)	550.80
C	CASH FLOW FROM FINANCING ACTIVITIES		
	Dividend Paid	(340.39)	(290.17)
	Proceeds from/(Repayment) of Long Term Borrowings (Net)	(245.50)	(245.50)
	Proceeds from/(Repayments) of Short Term Borrowings	997.57	(556.88)
	Interest and Other Borrowing Cost Paid	(99.08)	(80.79)
	Net Cash flow from Financing Activities	312.60	(1,173.34)
	Net Increase/(Decrease) in cash & cash equivalents	206.05	(213.13)
	Cash & Cash equivalent at the beginning of the year	324.89	538.02
	Cash & Cash equivalent at the end of the year	530.94	324.89

As per our Attached Report of even date
For Chandulal M. Shah & Co.
Chartered Accountants
 Firm Registration No. 101698W

CA. B. M. Zinzuvadia (Partner)
 Membership No. 109606

Place: Ahmedabad
 Date: 29th May, 2019

Shri Krishan Kumar Patodia
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(DIN: 00027335) Chairman
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 (DIN: 06965473) Independent Director
 Assistant Company Secretary

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2019

a. Equity Share capital				
PARTICULARS	As at 31.03.2019		As at 31.03.2018	
	Nos.	Rs. In Lakhs	Nos.	Rs. In Lakhs
Equity shares of Rs. 10 each				
Fully paid up	8,129,020	812.90	8,129,020	812.90
Add : amount received on forfeited shares	980	0.06	980	0.06
	8,130,000	812.96	8,130,000	812.96

b. Other Equity (Rs. In lakhs)						
Particulars	Reserves and Surplus					Total
	Share Capital Forfeiture	Securities Premium Reserve	General Reserve	Capital Reserve	Retained Earnings	
Balance at 1st April, 2017	0.17	361.05	7,131.57	1,483.39	1,331.80	10,307.98
Total Comprehensive Income for the year	--	--	--	--	458.88	458.88
Dividend and Dividend Tax	--	--	--	--	(293.52)	(293.52)
Transferred from Retained Earnings	--	--	200.00	--	(200.00)	--
Balance at 31st March, 2018	0.17	361.05	7,331.57	1,483.39	1,297.16	10,473.34
Balance at 1st April, 2018	0.17	361.05	7,331.57	1,483.39	1,297.16	10,473.34
Total Comprehensive Income for the year	--	--	--	--	357.79	357.79
Dividend and Dividend Tax	--	--	--	--	(343.00)	(343.00)
Transferred from Retained Earnings	--	--	150.00	--	(150.00)	--
Balance at 31st March, 2019	0.17	361.05	7,481.57	1,483.39	1,161.96	10,488.14

As per our Attached Report of even date
For Chandulal M. Shah & Co.
Chartered Accountants
Firm Registration No. 101698W

CA. B. M. Zinzuvadia (Partner)
Membership No. 109606

Place: Ahmedabad
Date: 29th May, 2019

Shri Krishan Kumar Patodia
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Assistant Company Secretary

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019**1A CORPORATE INFORMATION**

PBM Polytex Limited is a public company incorporated in India. Its shares are listed on BSE Limited. The company is engaged in manufacture and processing of yarn.

The financial statements were authorized for issue in accordance with a resolution of the directors on May 29, 2019.

1B SIGNIFICANT ACCOUNTING POLICIES**(1) Basis of Preparation:****Compliance with Ind AS**

These financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 ('Act') read with of the Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Act.

These financial statements for the year ended 31st March, 2019 are the first financial statements with comparatives, prepared under Ind AS. For all previous periods including the year ended 31st March, 2018, the Company had prepared its financial statements in accordance with the accounting standards notified under companies (Accounting Standard) Rule, 2006 (as amended) and other relevant provisions of the Act (hereinafter referred to as 'Previous GAAP') used for its statutory reporting requirement in India.

The accounting policies are applied consistently to all the periods presented in the financial statements, including the preparation of the opening Ind AS Balance Sheet as at 1st April, 2016 being the date of transition to Ind AS.

Historical cost convention

The financial statements have been prepared on a historical cost basis, except for the following:

- 1) certain financial assets and liabilities that are measured at fair value or amortized cost;
- 2) defined benefit plans - plan assets are measured at fair value;

Current and non-current classification

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle (twelve months) and other criteria set out in the Schedule III to the Act.

Principles of consolidation and equity accounting

The Consolidated Financial Statements present the consolidated accounts of PBM Polytex Limited with its associate company (Eurotex Industries & Exports Limited). Investments in associates are accounted for using the equity method of accounting, after initially being recognised at cost.

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the group's share of the post-acquisition profits or losses of the investee in profit and loss. Dividends received or receivable from associates and joint ventures are recognised as a reduction in the carrying amount of the investment.

When the group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Functional currency:

The financial statements are presented in Indian rupee (INR), which is Company's functional and presentation currency.

Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakh as per the requirement of Schedule III, unless otherwise stated.

(2) Key accounting estimates & Judgements:

The estimates and judgements used in the preparation of the financial statements are continuously evaluated by the Company and are based on historical experience and various other assumptions and factors (including expectations of future events) that the Company believes to be reasonable under the existing circumstances. Differences between actual results and estimates are recognised in the period in which the results are known/materialised.

The said estimates are based on the facts and events, that existed as at the reporting date, or that occurred after that date but provide additional evidence about conditions existing as at the reporting date.

(3) Property, Plant & Equipment:

Property, plant and equipment are stated at cost, net of recoverable taxes, less depreciation and impairment losses, if any. Such cost includes purchase price, borrowing cost and other cost directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to the Statement of Profit and Loss during the reporting period in which they are incurred.

Depreciation methods, estimated useful lives and residual value

Depreciation is provided on a Straight Line Method over the estimated useful lives of assets. The Company depreciates its property, plant and equipment over the useful life in the manner prescribed in Schedule II to the Act, and management believe that useful life of assets are same as those prescribed in Schedule II to the Act.

The residual values are not more than 5% of the original cost of the asset. The assets residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the Statement of Profit and Loss.

Leasehold land is amortized over the period of lease.

(4) Intangible Assets

Computer software are stated at cost, less accumulated amortisation and impairments, if any.

Amortisation method and useful life

The Company amortizes computer software using the straight-line method over the period of 6 years. Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the Statement of Profit and Loss.

(5) Inventories:

Items of inventories of Raw Material, Finished goods, Spares and Stores, Packing Material & Fuel are valued at lower of cost at weighted average method or net realizable value except waste which is valued at estimated net realizable value. Cost of inventories comprise of cost of purchase, cost of conversion and other costs including manufacturing overheads incurred in bringing them to their respective present location and condition.

(6) Financial Instruments (IND AS 109)**i. Recognition and initial measurement**

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

A financial asset or financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

ii. Classification and subsequent measurement**Financial assets**

On initial recognition, a financial asset is classified as measured at

- amortized cost;
- Fair Value through Other Comprehensive Income (FVOCI) – equity investment; or
- Fair Value Through Profit and Loss (FVTPL)

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

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI. (designated as FVOCI – equity investment). This election is made on an investment-by-investment basis.

All financial assets not classified as measured at amortized cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortized cost or at FVOCI or at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial liabilities

Financial liabilities are classified as measured at amortized cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in profit or loss. Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognized in profit or loss. Any gain or loss on de-recognition is also recognized in profit or loss

De-recognition**Financial assets**

The company de-recognizes a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the company enters into transactions whereby it transfers assets recognized on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognized.

Financial liabilities

The company de-recognizes a financial liability when its contractual obligations are discharged or cancelled, or expire. The company also de-recognizes a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognized at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognized in profit or loss.

Off-setting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realize the asset and settle the liability simultaneously.

(7) Revenue recognition

Effective April 1, 2018, the Company has applied Ind AS 115 "Revenue from Contracts with Customers", which establishes a comprehensive framework for determining whether, how much and when revenue is to be recognized. Ind AS 115 replaces Ind AS 18 "Revenue". The impact of the adoption of the standard on the financial statements of the Company is insignificant.

Revenue is measured at the value of the consideration received or receivable, after deduction of any trade discount, volume rebates and any taxes or duties collected on behalf of Government such as Goods and Services Tax, etc.

The Company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the Company and specific criteria have been met for each of the Company's activities as described below.

Sale of goods

Revenue from sale of goods is recognised when control of the products being sold is transferred to our customers and there are no longer any unfulfilled obligations. The performance obligations in our contracts are fulfilled at the time of dispatch, delivery or upon formal customer acceptance depending on customer terms.

Other revenue:

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable rate of interest.

Revenue in respect of insurance/other claims etc, is recognized only when it is reasonably certain that the ultimate collection will be made.

Dividends are generally recognised in the Statement of Profit and Loss only when the right to receive is established.

(8) Foreign Currency Transactions:

The financial statements are presented in Indian rupee (INR), which is Company's functional and presentation currency.

Foreign currency transactions are accounted for at the exchange rate prevailing on the date of the transaction. All monetary foreign currency assets and liabilities are converted at the exchange rates prevailing on the date of the balance sheet. All exchange differences other than those relating to the acquisition of fixed assets from outside India are dealt with in the statement of profit and loss. Exchange gain or loss relating to fixed assets acquired from outside India is adjusted in the cost of respective fixed assets.

In case of forward contracts, the gain / loss on contracts are treated as periodical expense or revenue. Any profit or loss arising on the cancellation or renewal of a forward exchange contract is recognized as income or expense for the year, except in case of a forward exchange contract relating to liabilities incurred for acquiring fixed assets from outside India, in which case, such profit or loss is adjusted in the cost of fixed assets.

Exchange difference is calculated as the difference between the foreign currency amount of the contract translated at the exchange rate at the reporting date, or the settlement date where the transaction is settled during the reporting period, and the corresponding foreign currency amount translated at the later of the date of inception of the forward exchange contract and the last reporting date. Such exchange differences are recognized in the statement of profit and loss in the reporting period in which the exchange rates change.

(9) Income tax

Income tax expense represents the sum of tax currently payable and deferred tax. Tax is recognized in the Statement of Profit and Loss, except to the extent that it relates to items recognized directly in equity or in other comprehensive income.

(a) Current Tax

Current tax includes provision for Income Tax computed under Special provision (i.e., Minimum alternate tax) or normal provision of Income Tax Act. Tax on Income for the current period is determined on the basis on estimated taxable income and tax credits computed in accordance with the provisions of the relevant tax laws and based on the expected outcome of assessments/appeals.

(b) Deferred Tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the balance sheet and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences.

Deferred tax assets are generally recognised for all deductible temporary differences, unabsorbed losses and unabsorbed depreciation to the extent that it is probable that future taxable profits will be available against which those deductible temporary differences, unabsorbed losses and unabsorbed depreciation can be utilised.

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

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the balance sheet date. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

(c) Minimum Alternate Tax (MAT):

MAT is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. In the year in which the MAT credit becomes eligible to be recognised, it is credited to the Statement of Profit and Loss and is considered as (MAT Credit Entitlement). The Company reviews the same at each Balance Sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that the Company will pay normal Income Tax during the specified period. Minimum Alternate Tax (MAT) Credit are in the form of unused tax credits that are carried forward by the Company for a specified period of time, hence, it is presented as Deferred Tax Asset.

(10) Provisions and contingent liabilities and contingent assets

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

Contingent Liabilities are disclosed in respect of possible obligations that arise from past events but their existence will be confirmed by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Company or where any present obligation cannot be measured in terms of future outflow of resources or where a reliable estimate of the obligation cannot be made.

A contingent asset is a possible asset arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. Contingent assets are not recognised till the realisation of the income is virtually certain. However the same are disclosed in the financial statements where an inflow of economic benefit is possible.

(11) Employee benefits

Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled.

Other long-term employee benefit obligations

The liabilities for earned leave and sick leave that are not expected to be settled wholly within 12 months are measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method.

Post-employment obligations

The Company operates the following post-employment schemes:

- (a) defined benefit plans such as gratuity; and
- (b) defined contribution plans such as provident fund.

Gratuity obligations

The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plan is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the Statement of Profit and Loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Gratuity liability of employees is funded with the approved gratuity trusts.

Defined Contribution Plans

Defined Contribution Plans such as Provident Fund, etc., are charged to the Statement of Profit and Loss as incurred. The Company contributes to Superannuation Trust for the Managerial Personnel of the Company as per the rules of the Trust.

(12) Borrowing costs

Interest and other borrowing costs attributable to qualifying assets are capitalised. Other interest and borrowing costs are charged to Statement of Profit and Loss.

(13) Earnings Per Share

Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the Company
- average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares.

Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

(14) Impairment of Assets:

An asset is treated as impaired when the carrying cost of asset exceeds its recoverable Value. An impairment loss is charged to the statement of Profit and Loss in the year in which an asset is identified as impaired. The impairment loss recognized in earlier accounting period is reversed if there has been a change in the estimate of recoverable amount.

(15) Leases :

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. Lease under which the company assumes potentially all the risks and rewards of ownership are classified as finance lease. When acquired, such assets are capitalized at fair value or present value of the minimum lease payments at the inception of the lease, whichever is lower.

Lease payments under operating leases are recognized as expenses on straight line basis in net profit in the Statement of Profit and Loss over the lease term. Unless the payments are structured to increase in line with expected general inflation to compensate lessors expected inflationary cost increases.

(16) Cash Flow Statements

The Cash Flow statement is prepared by the "Indirect method" set out in Ind AS-7 on "Cash Flow Statement" and presents the cash flows by operating, investing and financing activities of the Company. Cash and cash Equivalent presented in the cash flow statement consist of cash on hand and demand deposits with banks.

(17) Events occurring after the balance sheet date (IND AS 10)

Assets and liabilities are adjusted for events occurring after the reporting period that provides additional evidence to assist the estimation of amounts relating to conditions existing at the end of the reporting period.

Dividends declared by the Company after the reporting period are not recognized as liability at the end of the reporting period. Dividends declared after the reporting period but before the issue of financial statements are not recognized as liability since no obligation exists at that time. Such dividends are disclosed in the notes to the financial statements.

(18) Exceptional items

Exceptional items are disclosed separately in the financial statements where it is necessary to do so to provide further understanding of the financial performance of the Group. These are material items of income or expense that have to be shown separately due to their nature or incidence.

2. Property, plant and equipment (Rs. in Lakhs)

Particular	Leasehold Land	*Freehold Land	Building	Plant and Equipment	Electric Installation	Furniture and fixtures	Vehicles	Office equipment	Computers	Total
Gross Value										
Balance as at 1st April, 2017	26.44	137.25	2,150.24	11,572.30	525.29	198.38	320.93	54.48	48.43	15,033.73
Additions	-	-	21.27	190.93	0.39	9.97	30.12	4.46	6.71	263.84
Deduction & Adjustment	0.36	-	-	197.09	1.83	4.00	20.75	-	0.57	224.59
Reclassification as held for sale	-	-	-	-	-	-	-	-	-	-
Balance as at 31st March, 2018	26.08	137.25	2,171.51	11,566.13	523.84	204.35	330.31	58.94	54.57	15,072.97
Additions	-	-	27.57	227.70	2.63	6.44	33.48	2.45	6.55	306.82
Deduction & Adjustment	0.36	-	1.13	133.09	11.89	9.81	22.69	1.30	18.17	198.44
Reclassification as held for sale	-	-	-	-	-	-	-	-	-	-
Balance as at 31st March, 2019	25.72	137.25	2,197.94	11,660.74	514.59	200.98	341.10	60.09	42.95	15,181.35
Accumulated Depreciation										
Balance as at 1st April, 2017	-	-	932.23	7,701.82	477.86	140.34	215.51	42.24	39.62	9,549.62
Depreciation for the year	-	-	49.94	230.91	7.44	9.69	31.48	4.72	7.20	341.38
Deduction & Adjustment	-	-	-	167.94	1.74	3.81	18.72	0.54	-	192.75
Reclassification as held for sale	-	-	-	-	-	-	-	-	-	-
Balance as at 31st March, 2018	-	-	982.17	7,764.79	483.57	146.23	228.27	46.41	46.82	9,698.26
Depreciation for the year	-	-	50.46	233.99	4.06	10.40	28.47	3.91	4.00	335.28
Deduction & Adjustment	-	-	0.53	113.58	11.29	9.34	21.37	1.23	17.29	174.64
Reclassification as held for sale	-	-	-	-	-	-	-	-	-	-
Balance as at 31st March, 2019	-	-	1,032.10	7,885.20	476.33	147.28	235.36	49.09	33.53	9,858.90
Net carrying amount										
Balance as at 31st March, 2018	26.08	137.25	1,189.34	3,801.34	40.28	58.13	102.04	12.53	7.74	5,374.72
Balance as at 31st March, 2019	25.72	137.25	1,165.84	3,775.54	38.25	53.70	105.73	11.00	9.42	5,322.45

* Includes 100 Shares of Rs. 10/- each (fully paid up) of The Friends Co-operative Housing Society Limited, Baroda.

3. Intangible Assets – Computer Software	
Particular	(Rs. in Lakhs)
Balance as at 1st April, 2017	16.60
Additions	3.51
Deduction & Adjustment	-
Balance as at 31st March, 2018	20.10
Additions	1.00
Deduction & Adjustment	-
Balance as at 31st March, 2019	21.10
Amortization	
Balance as at 31st March, 2017	5.86
Amortization for the year	2.24
Deduction & Adjustment	-
Balance as at 31st March, 2018	8.09
Amortization for the year	5.46
Deduction & Adjustment	-
Balance as at 31st March, 2019	13.56
Net carrying amount	
Balance as at 31st March, 2018	12.01
Balance as at 31st March, 2019	7.55

4. Investments (Non-Current) (Rs. In lakhs)				
PARTICULARS	As at 31.03.2019		As at 31.03.2018	
	Nos.	Rs.	Nos.	Rs.
Investments measured at Fair Value Through Profit & Loss				
In Equity Shares of Associate Companies				
Quoted, Fully Paid Up				
M/s Eurotex Industries and Exports Limited (of Rs. 10 each)	2,231,980	430.89	2,231,980	876.58
Total of Investments measured at Fair Value Through Profit & Loss		430.89		876.58
Investments measured at Amortized Cost				
In Preference Shares of Associate Companies				
Unquoted, Fully Paid Up				
6% Non-Cumulative Non-Convertible Redeemable Preference Shares of Rs. 10/- each of M/s Eurotex Industries and Exports Limited	4,600,000	117.32	5,000,000	118.15
Total of Investments measured at Amortized Cost		117.32		118.15
Total Non-Current Investments		548.21		994.73
Aggregate amount of quoted Investments		430.89		876.58
Market Value of quoted Investments		358.23		743.25
Aggregate amount of unquoted Investments		117.32		118.15

Particulars	As at 31/03/2019 (Rs. in Lakhs)	As at 31/03/2018 (Rs. in Lakhs)
5. Loans (Non-Current)		
Security Deposits (Considered goods - Unsecured)		
Deposits with Related Parties	8.00	8.00
Deposits with Others	73.94	80.15
Total	81.94	88.15
6. Other financial assets (Non-Current)		
Bank Deposit with more than 12 months maturity	0.08	0.08
Total	0.08	0.08
7. Other Non-Current Assets		
Capital Advances (Unsecured, Considered Good)	31.81	40.44
Other Non-Current Assets	0.54	0.54
Total	32.35	40.98
8. Inventories		
Raw Materials	2,490.46	4,000.53
Stores, Spares & Fuel	134.45	153.62
Finished Goods	711.17	722.27
Goods In Transit	5.19	3.52
Stock in Process	279.28	308.13
Cotton Waste	38.59	45.14
Total	3,659.14	5,233.21

9. Investments (Current) (Rs. In lakhs)				
PARTICULARS	As at 31.03.2019		As at 31.03.2018	
	Units	Rs.	Units	Rs.
Investments measured at Fair Value Through Profit & Loss				
In Mutual Funds – Quoted				
Franklin India Liquid Fund Growth	98,676.297	2,751.26	--	--
Franklin India Long short Equity	99,502.489	99.48	--	--
IDFC Dynamic Bond Fund	-	-	589,418	121.63
HDFC High Interest Fund	-	-	1,178,851	407.86
Kotak Bond Short Term	-	-	71,149	23.05
Total Current Investments	198,178.786	2,850.74	1,839,418	552.54
Aggregate amount of quoted investments & market value thereof		2,850.74		552.54
Aggregate amount of unquoted Investments		--		--

Particulars	As at 31/03/2019 (Rs. in Lakhs)	As at 31/03/2018 (Rs. in Lakhs)
10. Trade Receivables (Current)		
Unsecured, Considered good	1,382.20	778.77
Total	1,382.20	778.77
11. Cash and cash equivalents		
Balances with banks	521.70	320.29
Cash on hand	9.24	4.60
Total	530.94	324.89
12. Bank balances other than mentioned in cash and cash equivalents		
Unclaimed Dividend	47.93	45.32
Fixed Deposits with Banks (under lien against bank guarantees)	15.80	15.68
Total	63.73	61.00
13. Loans (Current)		
Unsecured, Considered Good		
Loans & Advances to Employees	38.27	42.77
Total	38.27	42.77
14. Other financial assets (Current)		
Interest receivable	2.06	1.14
Total	2.06	1.14
15. Other Current Assets		
Security Deposits	5.40	6.74
Balance with Govt. Authorities	194.02	279.90
Advances to Suppliers & Others	158.47	140.72
Total	357.89	427.36

16. Share Capital				
PARTICULARS	As at 31.03.2019		As at 31.03.2018	
	Nos.	Rs. In Lakhs	Nos.	Rs. In Lakhs
Authorised Share Capital :				
Equity Shares of Rs. 10 each	10,000,000	1,000.00	10,000,000	1,000.00
Issued & Subscribed :				
Equity Shares of Rs. 10 each	8,130,000	813.00	8,130,000	813.00
Subscribed and Fully Paid Up				
Equity Shares of Rs. 10 each	8,129,020	812.90	8,129,020	812.90
Forfeited Shares				
Equity Shares of Rs. 10 each	980	0.06	980	0.06
Total	8,130,000	812.96	8,130,000	812.96

16.1 The reconciliation of the no. of shares outstanding is set out below :					
Particulars			As at 31/03/2019	As at 31/03/2018	
Equity shares					
At Beginning of the period			8,130,000	8,130,000	
Add : Issued during the year			--	--	
Less : Bought back during the year			--	--	
At End of the period			8,130,000	8,130,000	
16.2 Details of shareholders holding more than 5% shares					
Name of the shareholder		As at 31.03.2019		As at 31.03.2018	
		Nos.	%	Nos.	%
M/s Eurotex Industries & Exports Ltd.		1,582,347	19.46%	1,582,347	19.46%
M/s Sambhu Inv. Pvt. Ltd.		779,320	9.59%	779,320	9.59%
M/s Patodia Syntex Ltd.		712,957	8.77%	712,957	8.77%
M/s Trikon Inv. Pvt. Ltd.		557,834	6.86%	557,834	6.86%
16.3	The Company has only one class of shares i.e. equity shares. All equity shares carry equal rights with respect to voting and dividend.				
16.4	In the event of liquidation of the Company, the equity shareholders shall be entitled to proportionate share of their holding in the assets remaining after distribution of all preferential amounts.				
16.5	Subsequent to Balance Sheet date, the Board of Director has recommended a dividend of Rs. 0.60 per share to be paid on fully paid equity shares in respect of the Financial year ended on March 31, 2019. This equity dividend is subject to approval by shareholders at the ensuing Annual General Meeting and has not been included as a liability in these financial statements. The total estimated equity dividend to be paid is Rs. 41.27 lakhs and the dividend distribution tax thereon amounts to Rs. 8.49 Lakhs.				
16.6	Pursuant to draft letter of offer submitted by the company, SEBI has vide its letter dated 29 th March, 2019 permitted for buy back of 12,50,000 equity shares of Rs. 10 each for cash at Rs. 80 per equity share and the same was under process as on Balance Sheet date.				

Particulars	As at 31/03/2019 (Rs. in lakhs)	As at 31/03/2018 (Rs. in lakhs)
17. Other Equity		
SHARE CAPITAL FORFEITURE	0.17	0.17
SHARE PREMIUM	361.05	361.05
CAPITAL RESERVE		
Balance as per last year	1483.39	1483.39
Add: Appropriations from Current year's Profit	--	--
Balance at the end of the Year	1483.39	1483.39
GENERAL RESERVE:		
Balance as per last year	7,331.57	7,131.57
Add: Appropriations from Current year's Profit	150.00	200.00
Balance at the end of the Year	7,481.57	7,331.57
SURPLUS IN STATEMENT OF PROFIT AND LOSS		
Balance at the beginning of the Year	1,297.16	1,331.80
Add: Total Comprehensive Income for the year	357.79	458.88
Amount available for Appropriation (A)	1,654.96	1,790.68
<u>Less: Appropriations</u>		
Dividend	(284.52)	(243.87)
Dividend Distribution Tax	(58.48)	(49.65)
Transferred to General Reserves	(150.00)	(200.00)
Total Appropriation (B)	(493.00)	(493.52)
Balance at the end of the Year (A - B)	1,161.96	1,297.16
TOTAL	10,488.14	10,473.34

Particulars	As at 31/03/2019 (Rs. in Lakhs)	As at 31/03/2018 (Rs. in Lakhs)
18. Borrowings (Non-Current) – Non Current interest-bearing loans and borrowings		
Term loans		
From Banks		
Secured	--	117.75
Total	--	117.75
18.1 Details of Security & Repayment Terms		
Term loan of Rs. 1100 Lacs from IDBI Bank Ltd. is secured by hypothecation of movable current assets (subject to prior charge of SBI and IDBI Bank for working capital facilities) and also secured by first charge pari passu with EXIM Bank by way of mortgage of immovable properties (excluding assets of windmills). The same is repayable in 6 quarterly installments ending by 23 rd September, 2019.		
Term loan of Rs. 560 Lacs from EXIM Bank is secured by hypothecation of movable fixed assets (excluding assets of windmills) and also secured by first charge pari passu with IDBI Bank by way of mortgage of immovable properties. The same is repayable in 7 quarterly installments ending by 20 th December, 2019.		
19. Other financial liabilities (Non-Current)		
Security Deposits (From Debtors, Employees and Contractors)	1.25	1.25
Total	1.25	1.25
20. Provisions (Non-Current)		
Employees Privilege Leave	98.46	79.45
Gratuity	4.25	--
Total	102.71	79.45
21. Deferred Tax Liabilities (Net)		
Liability Relating to earlier years	711.28	930.64
Add/(Less): Liability/(Assets) for the year	27.79	(219.36)
NET TOTAL	739.07	711.28
21.1 Component of Deferred Tax Liabilities (Net)		
Depreciation	948.43	916.64
Employee Benefits	(80.87)	(79.41)
Other Timing Differences	(128.49)	(125.95)
Total	739.07	711.28
22. Borrowings (Current) – Current interest-bearing loans and borrowings		
Working Capital Loans		
From banks		
Secured*	1,397.81	400.24
Total	1,397.81	400.24
* Secured by first pari passu charge (favouring SBI and IDBI Bank) by way of hypothecation of current assets and also by mortgage of immovable properties of the company subject to prior charge of EXIM Bank and IDBI for their term loans (except assets of windmills).		
23. Trade Payables (Current)		
Micro, Small and Medium Enterprises	142.30	58.53
Others	259.40	306.08
Total	401.70	364.61

Particulars	As at 31/03/2019 (Rs. in lakhs)	As at 31/03/2018 (Rs. in lakhs)
23.1 Details as required under MSMED Act are given below		
Principal amount due to any supplier registered under MSMED Act and remaining unpaid as at the end of accounting year	142.30	58.53
Interest due to any supplier registered under MSMED Act and remaining unpaid as at the end of accounting year	NIL	NIL
Amount of interest paid by the Company in terms of section 16 of the MSMED Act, along with the amount of the payment made to the supplier beyond the appointed day during the accounting year	N. A.	N. A.
Amount of interest due and payable for the reporting period of delay in making payment [which have been paid but beyond the appointed day during the year] but without adding the interest specified under the MSMED Act	N. A.	N. A.
Amount of interest accrued and remaining unpaid at the end of the accounting year.	N. A.	N. A.
Amount of further interest remaining due and payable even in succeeding years, untill such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under Section 23 of MSMED Act.	N. A.	N. A.
The above information regarding micro, small and medium enterprises has been determined to the extent such parties have been identified on the basis of information available with the company.		
24. Other Financial Liabilities (Current)		
Current maturities of long-term debt	117.75	245.50
Interest accrued	0.01	0.03
Unpaid dividends	47.93	45.32
Dues to Employees and others	238.94	174.26
Total	404.63	465.11
25. Other Current liabilities		
Credit Balances of Customers	9.84	15.92
Statutory Dues	52.64	46.85
Other Current Liabilities	207.41	233.30
Total	269.89	296.07
26. Provisions (Current)		
Employees' Privilege Leave	33.60	31.79
Bonus	168.77	174.21
Gratuity	3.60	--
Total	205.97	206.00
27. Current Tax Liabilities		
Provision for taxation (Net of advance tax paid)	53.42	4.29
Total	53.42	4.29

**NOTES TO THE CONSOLIDATED STATEMENT OF PROFIT AND LOSS
FOR THE YEAR ENDED 31ST MARCH, 2019**

Particulars	2018-19 (Rs. in lakhs)	2017-18 (Rs. in lakhs)
28. Revenue from operations		
Sale of products (including excise duty)	21,001.05	19,619.67
Other Operating Revenue	-	
Duty Draw Back	92.92	74.67
Sale of Scrap	7.51	3.61
Total	21,101.48	19,697.95
28.1 Sale of Products		
Yarn	20,039.01	18,626.66
Cotton/Yarn Waste	809.35	849.92
Sale of Electricity Units	152.69	143.09
Total	21,001.05	19,619.67
29. Other income		
Interest income	37.94	62.77
Net Gain on sale of Investments	208.66	150.69
Insurance claims Received	46.76	16.16
Net Gain on sale of fixed assets	22.88	4.89
Foreign Exchange Fluctuation Gain	8.80	27.33
Effect of fair valuation of investments	32.62	--
Excess Provision/Sundry Balances written back	57.32	74.17
Other Miscellaneous Income	6.69	0.42
Total	421.67	336.43
30. Cost of materials consumed		
Opening Stock	4,000.53	4,029.79
Add : Purchases	11,520.27	12,454.68
Sub Total	15,520.80	16,484.47
Less : Closing Stock	2,490.46	4,000.53
Total	13,030.34	12,483.94
31. Changes in Inventories of Finished goods, WIP and Waste		
Closing Stock		
Finished Goods	711.17	722.27
WIP	279.28	308.13
Waste	38.59	45.13
Total	1,029.04	1,075.53
Opening Stock		
Finished Goods	722.27	617.90
WIP	308.13	286.30
Waste	45.13	43.39
Total	1,075.53	947.59
Total (Increase) / Decrease in Stock	46.49	(127.94)

Particulars	2018-19 (Rs. in lakhs)	2017-18 (Rs. in lakhs)
32. Employee benefit expense		
Salaries and wages	1,989.62	1,860.53
Contribution to provident and other funds	189.77	214.79
Managerial Remuneration	134.63	116.42
Staff welfare expenses	88.12	77.60
Total	2,402.14	2,269.34
33. Finance costs		
Interest Expenses	24.72	28.03
Finance and Bank Charges	74.31	50.18
Total	99.03	78.21
34. Other expenses		
Consumption of stores and packing material	470.18	444.88
Power and fuel	2,661.54	2,659.36
Yarn Processing Charges	-	0.20
Rent	50.33	48.81
<u>Repairs:-</u>		
Machinery (including spares)	292.39	245.21
Building	54.70	36.01
Others	40.64	24.35
Insurance	47.32	42.88
Rates and Taxes	32.84	62.64
License Fees, Legal & Professional Charges	67.59	48.68
Sales and Distribution Expenses	414.01	378.33
Travelling and conveyance	141.42	135.54
Directors Sitting Fees	4.80	4.10
Audit Fees and Expenses	4.09	4.82
Donation	5.19	2.57
Foreign Exchange Fluctuation Loss	31.56	-
CSR Expenses	42.55	22.30
Loss on sale of Fixed Assets	0.86	-
Effect of fair valuation of investments	81.92	60.88
Other Miscellaneous Expenses	67.31	70.23
Total	4,511.24	4,291.79
34.1 Auditor Remuneration		
As auditor :		
Audit fee	4.00	4.00
Reimbursement of expenses	0.09	0.82
Total	4.09	4.82

Particulars	2018-19 (Rs. in lakhs)	2017-18 (Rs. in lakhs)
35. Earning Per Share		
Net Profit for the year attributable to Equity Shareholders (Rs. In Lakhs)	320.13	380.66
Less: Dividend on Preference Shares	--	--
Net Profit / (Loss) attributable to Equity Shareholders	320.13	380.66
Add/Less: Extra Ordinary Items	--	--
Profit / (Loss) after taxation before Extra Ordinary Items	320.13	380.66
Weighted Average number of Equity Shares outstanding of Face Value of Rs. 10 each.	81,30,000	81,30,000
Number of Equity Shares for Basic EPS	81,30,000	81,30,000
Add : Diluted Potential Equity Shares	--	--
Number of Equity Shares for Diluted EPS	81,30,000	81,30,000
Basic Earning Per Share (Rs.)	3.94	4.68
Diluted Earning Per Share (Rs.)	3.94	4.68
Nominal Value Per Share (Rs.)	10.00	10.00
36. Lease Rent		
Operating Lease		
Future Minimum lease payments obligation on operating lease	39.92	40.30
Not later than one year	0.38	0.38
Later than one year and not later than five years	1.54	1.54
Later than five years	38.00	38.38
Lease Payment recognized in Statement of Profit and Loss	0.38	0.38

37. Related Party Disclosures	
As per the Indian Accounting Standard on "Related Party Disclosures" (Ind AS 24), the related parties of the Company are as follows:	
37.1 Name of the Related Parties and Nature of Relationship:	
Associates & Enterprises owned or significantly influenced by key management personnel (with whom the Company entered into transactions during the year)	
M/s Patodia Syntex Limited	M/s B. L. Patodia Family Trust
M/s Eurotex Industries and Exports Limited	M/s Murarilal Mahendrakumar
M/s Trikon Investments Pvt. Limited	M/s Brijlal Purushottamdas
M/s Sambhu Investments Pvt. Limited	M/s Dharamchand Keshardeo
M/s Shashank Investments Pvt. Limited	M/s Chandramauli Investments Pvt. Limited
M/s Veepee Intrades Pvt. Limited	M/s Suragini Investments Pvt. Limited
M/s. Star Silk Exports Pvt. Limited	M/s. Mercury Gems Pvt. Ltd.
Key Managerial Personnel/Directors and Relatives:	
Shri Gopal Patodia	Managing Director
Shri Mohan Kumar Patodia	Managing Director cum Chief Financial Officer
Shri Amit Patodia	Senior President cum Chief Executive Officer
Shri Mukesh Prajapat	Assistant Company Secretary

37.2 Transactions with Related Parties (Rs. In lakhs) :		
Transactions	Associates & Enterprises owned or Significantly influenced by KMP	Key Managerial Personnel
<u>Purchase of Goods:-</u>		
M/s Eurotex Industries and Exports Limited	0.69	--
<u>Sale of Goods:-</u>		
M/s Eurotex Industries and Exports Limited	117.14	--
<u>Rent Paid:-</u>		
M/s Patodia Syntex Limited	1.20	--
M/s Trikon Investments Pvt. Limited	1.20	--
M/s Sambhu Investments Pvt. Limited	7.80	--
M/s B. L. Patodia Family Trust	2.88	--
M/s Murarilal Mahendrakumar	4.50	--
M/s Brijlal Purushottamdas	1.80	--
M/s Dharamchand Keshardeo	1.80	--
M/s Eurotex Industries and Exports Limited	1.80	--
<u>Rent Received:-</u>		
M/s Shashank Investments Pvt. Limited	0.03	--
M/s Veepee Intrades Pvt. Limited	0.03	--
M/s Chandramauli Investments Pvt. Limited	0.03	--
M/s Suragini Investments Pvt. Limited	0.03	--
<u>Sale of Investments :-</u>		
M/s. Star Silk Exports Pvt. Limited	40.00	--
<u>Remuneration to KMP:-</u>		
Managing Directors	--	146.15
Chief Executive Officer	--	47.92
Company Secretary	--	3.76

37.3 Outstanding Balances as on 31st March, 2019 (Rs. In lakhs) :		
Transactions	Associates & Enterprises owned or Significantly influenced by KMP	Key Managerial Personnel
Security deposits given :-		
M/s Trikon Investments Pvt. Limited	6.00	--
M/s Sambhu Investments Pvt. Limited	2.00	--
Investments in 22,31,980 Equity Shares of Rs. 10/- each of M/s. Eurotex Industries and Exports Limited (Stated at Fair Value through Profit & Loss) (Purchase Value Rs. 545.90 Lakhs)	430.89	--
Investments in 46,00,000 6% Non-Cumulative Non-Convertible Redeemable Preference Shares of Rs. 10/- each of M/s. Eurotex Industries and Exports Limited. (Stated at Amortized Cost) (Purchase Value Rs. 460 Lakhs)	117.32	--
Receivable for Sales from M/s. Eurotex Industries and Exports Limited	116.46	--
Remuneration Payable to Managing Directors	--	30.76

38. Contingent Liabilities and Commitments (Rs. In lakhs) :			
Particulars	2018-19	2017-18	
Contingent Liabilities			
Entry tax demands for different years against which company has preferred appeals before appropriate authorities	2.16	2.16	
Claim by Director of Industries, Gujarat in Gujarat High Court for non-delivery of yarn in the year 1978	1.09	--	
Bonus for employees for the year 2014-15 in accordance with notification by the Central Government (matter pending before Supreme Court)	142.79	142.79	
Bills discounted under Export/Inland Letters of Credit	612.99	262.91	
Commitments			
Estimated amount of contracts remaining unexecuted on capital account and not provided for in Books (net of advances)	316.28	432.78	
Other commitments	--	--	
39. Segment Information			
The company manufactures and deals mainly in single major product, i.e. manufacturing of cotton yarn. Therefore no separate disclosure as per Ind AS 108 - "Operating Segments" is given.			
40. Corporate Social Responsibility			
(a) Gross amount required to be spent by the company during the year		Rs. 51.41 Lakhs	
(b) Amount spent during the year on (Rs. In lakhs) :			
Particulars	Amount Spent	Yet to be Spent	Total
(i) construction/acquisition of any asset	--	--	--
(ii) on purposes other than (i) above	42.55	8.86	51.41
41. Income Taxes (Rs. In Lakhs)			
Particulars	2018-19	2017-18	
The major components of income tax expense for the year as under:			
Current tax	370.00	226.36	
Deferred tax			
In respect of Accumulated Depreciation	31.80	(184.16)	
In respect of Investments, employee benefits and other timing differences	(19.49)	(35.20)	
Total deferred tax	12.32	(219.36)	
Adjustment of tax for earlier years	(54.98)	(71.84)	
Total tax expenses charged to statement of Profit and Loss	327.34	(64.84)	
41.1 Reconciliation of Effective Tax Rate (Rs. In Lakhs)			
Particulars	2018-19	2017-18	
Applicable Tax Rate	29.12%	33.06%	
Profit before tax	647.47	315.82	
Income tax expense at tax rates applicable to individual entities	188.54	104.42	
Income exempt from tax	(15.38)	(17.34)	
Expenses that are not deductible	16.83	11.69	
Difference on account of Indexation Benefits	(16.92)	(16.24)	
Impact of changes in tax rates	33.24	(147.58)	
Others	121.03	0.21	
Income Tax Expenses recongnised in Statement of Profit and Loss	327.34	(64.84)	

42. DISCLOSURES AS REQUIRED BY INDIAN ACCOUNTING STANDARD (IND AS) 19 "EMPLOYEE BENEFITS"			
(a) Defined contribution plans			
Contribution to defined contribution plans, recognized as expense for the year is as under (Rs. In Lakhs) :			
Particulars		2018-19	2017-18
Employer's contribution to Provident Fund		50.44	52.63
Employer's contribution to Superannuation Fund		19.01	17.28
Employer's contribution to Pension Scheme		71.83	72.04
(b) Defined benefit plan			
Details of defined benefit obligation and plan assets in respect of retiring gratuity are given below			
i)	Reconciliation of opening and closing balances of defined benefit obligation (Rs. In Lakhs)		
	Particulars	2018-19	2017-18
	Present value of obligation as at the beginning of the year	1,168.75	1,178.54
	Interest Cost	79.08	77.12
	Current Service Cost	71.31	73.31
	Benefits Paid	(49.61)	(49.10)
	Actuarial (Gain)/Loss on arising from Change in Financial Assumption	(13.64)	(86.55)
	Actuarial (Gain)/Loss on arising from Experience Adjustment	(36.25)	(24.57)
	Present value of obligation as at the end of the year	1,219.64	1,168.75
ii)	Reconciliation of opening and closing balances of fair value of plan assets (Rs. In Lakhs)		
	Particulars	2018-19	2017-18
	Fair Value of plan assets at the beginning of the year	1,220.72	1,148.88
	Interest Income	85.66	77.60
	Contributions by the employer	1.79	37.60
	Benefits paid	(49.60)	(49.10)
	Return on plan assets	3.24	5.74
	Fair Value of plan assets at the end of the year	1,261.81	1,220.72
iii)	Reconciliation of fair value of assets and obligations (Rs. In Lakhs)		
	Particulars	2018-19	2017-18
	Fair Value of plan assets	1,261.81	1,220.72
	Present value of obligation	1,219.64	1,168.75
	Amount recognized in Balance Sheet [Surplus/(Deficit)]	42.17	51.98
iv)	Expenses recognized during the year (Rs. In Lakhs)		
	Particulars	2018-19	2017-18
	(A) In the Statement of Profit & Loss		
	Interest Cost	(6.58)	(0.48)
	Current Service Cost	71.30	73.31
	Net Cost	64.72	72.83
	(B) In Other Comprehensive Income		
	Actuarial (Gain)/Loss	(49.90)	(111.12)
	Return on Plan Assets	(3.24)	(5.74)
	Net Expense/(Income) recognized in Other Comprehensive Income	(53.14)	(116.86)
v)	Investment Details:		
	Particulars		2017-18
	GOI Securities	--	--
	Insurance Plan	100%	100%
	Others	--	--

vi)	Actuarial Assumptions		
	Particulars	2018-19	2017-18
	Mortality Table	ISL (2006-08)	ISL (2006-08)
	Discount Rate	7.60%	7.50%
	Expected rate of return on plan assets	7.60%	7.50%
	Rate of escalation in salary	10.00%	10.00%
vii)	Sensitivity Analysis		
	Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase and employee turnover. The sensitivity analysis below, have been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant. The result of sensitivity analysis on defined benefit obligation is given below (Rs. In Lakhs):		
	Particulars	2018-19	2017-18
	Sensitivity Level - Discount Rate		
	0.5% Increase	1,163.91	1,114.31
	0.5% Decrease	1,280.17	1,227.86
	Sensitivity Level - Salary Escalation		
	0.5% Increase	1,277.66	1,225.19
	0.5% Decrease	1,165.67	1,116.24
	Sensitivity Level - Withdrawal Rate		
	W.R. X 110%	1,218.25	1,166.95
	W.R. X 90%	1,221.10	1,170.63
	viii) Expected contribution to the defined benefit plan for the next reporting period - Rs. 71.51 lakhs.		

43. Financial Instruments - Fair Values & Risk Management	
43.1 Accounting Classifications & Fair Value Measurements	
The fair values of the financial assets and liabilities are measured at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.	
All financial instruments are initially recognized and subsequently re-measured at fair value as described below :	
1.	The fair value of investment in quoted equity shares and mutual funds is measured at quoted price or NAV.
2.	Fair values of cash and short term deposits, trade and other short term receivables, trade payables, other current liabilities, short term loans from banks and other financial institutions approximate their carrying amounts largely due to short-term maturities of these instruments.
3.	Financial instruments with fixed and variable interest rates are evaluated by the Company based on parameters such as interest rates and individual credit worthiness of the counterparty. Based on the evaluation, allowances are taken to account for the expected losses of these receivables.
4.	The fair value of forward foreign exchange contracts and currency swaps is determined using forward exchange rates and yield curves at the balance sheet date.
The company uses the following hierarchy for determining and disclosing the fair values of financial instruments by valuation technique:	
	Level 1 : Quoted prices (unadjusted) in active markets for identical assets or liabilities.
	Level 2 : Inputs other than the quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

I. Figures as at March 31, 2018 (Rs. In Lakhs)			
Particulars	Carrying Amount	Fair value	
		Level 1	Level 2
Financial assets at amortised cost:			
Investments (Non-Current)	118.15	--	118.15
Security Deposits (Non-Current)	88.15	--	88.15
Bank Deposits (Non-Current)	0.08	--	0.08
Trade Receivables	778.77	--	778.77
Cash and Cash Equivalents	324.89	--	324.89
Bank Balances Other than Cash and Cash Equivalents	61.00	--	61.00
Other Current Financial Assets	43.91	--	43.91
TOTAL	1,414.94	--	1,414.94
Financial assets at fair value through profit or loss:			
Investments (Current)	552.54	552.54	--
Investments (Non-Current)	876.58	876.58	--
TOTAL	1,429.12	1,429.12	--
Financial liabilities at amortised cost:			
Borrowings (Non-Current)	117.75	--	117.75
Borrowings (Current)	400.24	--	400.24
Trade Payables	364.61	--	364.62
Other financial liabilities	466.36	--	466.36
TOTAL	1,348.96	--	1,348.96
Financial liabilities at fair value through profit or loss:			
TOTAL	--	--	--
II. Figures as at March 31, 2019 (Rs. In Lakhs)			
Particulars	Carrying Amount	Fair value	
		Level 1	Level 2
Financial assets at amortised cost:			
Investments (Non-Current)	117.33	--	117.33
Security Deposits (Non-Current)	81.94	--	81.94
Bank Deposits (Non-Current)	0.08	--	0.08
Trade Receivables	1,382.20	--	1,382.20
Cash and Cash Equivalents	530.94	--	530.94
Bank Balances Other than Cash and Cash Equivalents	63.73	--	63.73
Other Current Financial Assets	40.33	--	40.33
TOTAL	2,216.56	--	2,216.56
Financial assets at fair value through profit or loss:			
Investments (Current)	2,850.74	2,850.74	--
Investments (Non-Current)	430.89	430.89	--
TOTAL	3,281.62	3,281.62	--
Financial liabilities at amortised cost:			
Borrowings (Non-Current)	--	--	--
Borrowings (Current)	1,397.81	--	1,397.81
Trade Payables	401.70	--	401.70
Other financial liabilities	405.88	--	405.88
TOTAL	2,205.39	--	2,205.39
Financial liabilities at fair value through profit or loss:			
TOTAL	--	--	--

44. Financial Risk Management

The company's Board of Directors has overall responsibility for the establishment and oversight of the company's risk management framework. The company's risk management policies are established to identify and analyse the risks faced by the company, to set appropriate risk limits and controls and to monitor risks. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the company's activities.

44.1 Credit Risk Management

Credit risk arises from the possibility that counter party may not be able to settle their obligations as agreed. To manage this, the Company periodically assesses the financial reliability of customers, taking into account the financial condition, current economic trends and ageing of accounts receivable. Individual risk limits are set accordingly.

The ageing analysis trade receivables from the date the invoice falls due is given below (Rs. In Lakhs):

Particulars	As at 31-03-2019	As at 31-03-2018
Up to 3 months	1,363.74	778.77
3 to 6 months	18.46	--
More than 6 months	--	--
Total	1,382.20	778.77

Details of single customer accounted for more than 10% of the accounts receivables as at 31st March, 2019 and 31st March, 2018 (Rs. In Lakhs):

Name of Customer	As at 31-03-2019	As at 31-03-2018
J. G. Hosiery Private Limited	166.56	--

Details of single customer accounted for more than 10% of revenue for the year ended at 31st March, 2019 and 31st March, 2018 (Rs. In Lakhs):

Name of Customer	As at 31-03-2019	As at 31-03-2018
BYC Co. Ltd.	3,291.33	2,744.19

Based on historic default rates and overall credit worthiness of customers, management believes that no impairment allowance is necessary in respect of outstanding trade receivables as on 31st March 2019.

44.2 Liquidity Risk

Liquidity Risk is defined as the risk that the company will not be able to settle or meet its obligations on time or at reasonable price. The company's treasury department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. Management monitors the company's net liquidity position through rolling forecast on the basis of expected cash flows.

Maturity profile of financial liabilities

The table below provides details regarding the remaining contractual maturities of financial liabilities at the reporting date based on contractual undiscounted payments (Rs. In Lakhs).

Particulars	Borrowings including interest obligations	Trade Payables	Other Financial Liabilities	Total
As at 31st March, 2019				
Less than 1 year	1,515.56	401.70	286.88	2,204.14
1 to 5 years	--	--	1.25	1.25
Total	1,515.56	401.70	288.13	2,205.39
As at 31st March, 2018				
Less than 1 year	645.77	364.62	219.58	1,229.97
1 to 5 years	117.75	--	1.25	119.00
Total	763.52	364.62	220.83	1,348.97

44.3 Market risk				
Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, equity prices and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including investments and deposits, foreign currency receivables, payables and loan borrowings.				
The Company manages market risk through a treasury department, which evaluates and exercises independent control over the entire process of market risk management. The treasury department recommends risk management objectives and policies, which are approved by Senior Management and the Audit Committee. The activities of this department include management of cash resources, implementing hedging strategies for foreign currency exposures, borrowing strategies, and ensuring compliance with market risk limits and policies.				
44.4 Interest rate risk				
Interest rate risk is the risk that fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. In order to optimize the company's position with regards to the interest income and interest expenses and to manage the interest rate risk, treasury performs a comprehensive corporate interest rate risk management by balancing the proportion of fixed rate and floating rate financial instruments in its total portfolio.				
With all other variables held constant, the following table demonstrates the impact of the borrowing cost on floating rate portion of loans and borrowings and excluding loans on which interest rate swaps are taken (Rs. in lakhs).				
Nature of Borrowing	Change in basis points	Impact on PAT		
		As at 31-03-2019	As at 31-03-2018	
Term Loans from Bank	(0.50)	0.42	1.22	
	0.50	(0.42)	(1.22)	
Working Capital Facilities from Bank	(0.50)	4.95	1.34	
	0.50	(4.95)	(1.34)	
44.5 Foreign currency risk				
The company operates internationally and is exposed to currency risk on account of its receivables in foreign currency. The functional currency of the company is Indian Rupee. The company uses forward exchange contracts to hedge its currency risk, most with a maturity of less than one year from the reporting date.				
The company does not use derivative financial instruments for trading or speculative purposes.				
I. Foreign Currency Exposure				
Particulars	As at 31-03-2019		As at 31-03-2018	
	USD	Euro	USD	Euro
Financial Assets				
Trade & Other Receivables	400,272.52	--	75,257.00	17,804.27
Less : Forward Contract for selling foreign currency	(400,272.52)	--	-75,257.00	--
Total	--	--	--	17,804.27
Financial Liabilities	--	--	--	--
Net Exposure	--	--	--	17,804.27
II. Foreign Currency Sensitivity				
The sensitivity of profit or loss and equity to changes in the exchange rates arises mainly from foreign currency denominated financial instruments as below :				
Particulars	Movement in Rate	Impact on PAT		
		2018-19	2017-18	
USD	5%	--	--	
USD	(5%)	--	--	
EURO	5%	--	0.48	
EURO	(5%)	--	(0.48)	

44.6 Price Risk			
→ Investment Price Risk			
The company's exposure to price risk arises from investments in equity and mutual fund held by the company and classified in the balance sheet at fair value through profit or loss. To manage its price risk arising from investments, the company diversifies its portfolio.			
Sensitivity Analysis			
The table below summarises the impact of increase/decrease of the index on the company's equity and profit for the period. The analysis is based on the assumption that the price of the instrument has increased by 3% or decreased by 3% with all other variables held constant.			
Particulars	Movement in Rate	Impact on PAT	
		2018-19	2017-18
Mutual Funds (Quoted)	3%	60.62	11.10
Mutual Funds (Quoted)	(3%)	(60.62)	(11.10)
Equity Shares (Quoted)	3%	7.62	14.93
Equity Shares (Quoted)	(3%)	(7.62)	(14.93)
→ Commodity Price Risk			
Principal Raw Material for company's products is cotton. Company sources its raw material requirements from domestic markets. Company effectively manages availability of material as well as price volatility through well planned procurement and inventory strategy and also through appropriate contracts and commitments.			
Sensitivity Analysis			
The table below summarises the impact of increase/decrease in prices of cotton by Rs. 1 per kg on profit for the period (Rs. in lakhs) :			
Particulars	Impact on PAT		
	2018-19	2017-18	
Rs. 1 decrease in price of cotton	78.05	72.90	
Rs. 1 increase in price of cotton	(78.05)	(72.90)	
45. Capital management			
For the purposes of the Company's capital management, capital includes issued capital and all other equity reserves. The primary objective of the Company's Capital Management is to maximise shareholder value. The company manages its capital structure and makes adjustments in the light of changes in economic environment and the requirement of the financial covenants.			
The company monitors capital using gearing ratio, which is net debt divided by total equity plus debt (Rs. in lakhs) :			
Particulars	As at 31-03-2019	As at 31-03-2018	
Borrowings	1,515.56	763.49	
Less : Cash & Cash Equivalents	530.94	324.89	
Net Debt (A)	984.61	438.60	
Total Equity	9,817.54	9,802.74	
Equity and Net Debt (B)	10,802.15	10,241.34	
Gearing Ratio (A/B)	0.09	0.04	

46	In the opinion of the Board, the current assets, loans and advances are approximately of the value stated in the balance sheet, if realised in the ordinary course of the business. Provision for depreciation and all known liabilities have been made in accounts.
47	Letters of balance confirmation have been sent to various parties which are subject to confirmation and reconciliation, if any.
48	In terms of Ind AS 36 – Impairment of Assets issued by ICAI, the management has reviewed its fixed assets and arrived at the conclusion that impairment loss which is difference between the carrying amount and recoverable value of assets, was not material and hence no provision is required to be made.
49	Previous year's figures have been regrouped/re-arranged/recasted, wherever necessary, so as to make them comparable with current year's figures.

As per our Attached Report of even date
For Chandulal M. Shah & Co.
Chartered Accountants
Firm Registration No. 101698W

CA. B. M. Zinzuvadia (Partner)
Membership No. 109606

Place: Ahmedabad
Date: 29th May, 2019

Shri Krishan Kumar Patodia
Shri Gopal Patodia
Shri Ashok Pandit
Shri Jugalkishore Todi
Smt. Vinita Devi Modi
Shri Mukesh Prajapat

Place: Vadodara
Date: 29th May, 2019

(DIN: 00027335) Chairman
(DIN: 00014247) Managing Director
(DIN: 08132980) Independent Director
(DIN: 00598697) Independent Director
(DIN: 06965473) Independent Director
Assistant Company Secretary

PBM POLYTEX LIMITED

CIN : L17110GJ1919PLC000495

Regd. Office: Opposite Railway Station, Petlad - 388 450, Dist. Anand, Gujarat

ATTENDANCE SLIP

(TO BE HANDED OVER AT THE ENTRANCE OF THE MEETING HALL)

I hereby record my presence at the 100th Annual General Meeting of the Company held at the Registered Office at PBM Polytex Limited, Opposite Station, Petlad - 388450 Dist: Anand, Gujarat on **Monday, the 30th day of September, 2019 at 11:00 A. M.**

NAME OF THE ATTENDING SHAREHOLDER _____
(IN BLOCK LETTERS)

NAME OF THE PROXY _____
(To be filled in if the proxy attends instead of the shareholder)

SIGNATURE OF THE SHAREHOLDER/PROXY _____

Ledger Folio Number _____ No. of Shares held _____

NOTE:

SHAREHOLDERS/PROXY HOLDERS ARE REQUESTED TO BRING THE ATTENDANCE SLIPS WITH THEM DULY COMPLETED WHEN THEY COME TO THE MEETING AND HAND THEM OVER AT THE GATE AFTER AFFIXING THEIR SIGNATURES ON THEM.

Form No. MGT-11

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 the Company : **PBM POLYTEX LIMITED, CIN : L17110GJ1919PLC000495**
Registered office : **OPP. RAILWAY STATION, PETLAD-388450, DIST. ANAND, GUJARAT**

Name of the member (s) : _____

Registered address : _____

E-mail Id : _____

Folio No : _____ DP ID / Client Id : _____

I/We, being the member (s) of _____ shares of the above named Company, hereby appoint

1. Name: _____ Address: _____

E-mail Id: _____ Signature: _____ or failing him
2. Name: _____ Address: _____

E-mail Id: _____ Signature: _____ or failing him
3. 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 100th Annual General Meeting of the Company, to be held on the **Monday, 30th September, 2019 at 11:00 A. M.** at the registered office of the Company and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution Number	Description of resolution
Ordinary Business:	
1.	To receive, consider and adopt the Audited Balance Sheets as at 31 st March 2019, Statements of Profit and Loss (including Audited Consolidated Financial Statements) and Cash Flow Statements for the year ended on that date together with the Directors' Report and Auditors' Reports thereon.
2.	To declare dividend on equity shares for the financial year ended 31 st March, 2019.
3.	To appoint a Director in place of Shri Krishan Kumar Patodia (DIN : 00027335) as director who retires by rotation and being eligible, offers himself for re-appointment.
4.	To appoint a Director in place of Shri Gopal Patodia (DIN : 00014247) as director who retires by rotation and being eligible, offers himself for re-appointment.
Special Business:	
5.	To ratify remuneration payable to the Cost Auditor for the financial year 2019-20.
6.	To appoint Shri Rakesh Todi (DIN : 08476512) as an Independent Director of the Company to hold office for a term of five consecutive years.
7.	To reappoint Smt. Vinita Devi Modi (DIN : 06965473) as an Independent cum Woman Director of the Company for the second term of 5 consecutive years.
8.	To reappoint Shri Makhanlal Bagaria (DIN : 01213323) as an Independent Director of the Company for the second term of 5 consecutive years.
9.	Continuation of Directorship of Shri Krishan Kumar Patodia (DIN : 00027335) as Non-Executive Non-Independent Director of the Company.

Signed this _____ day of _____ 2019

Signature of shareholder _____

Signature of Proxy holder(s) _____

Affix
Re.1
Revenue
Stamp

Note: 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.

PBM Polytex Limited

Opp. Railway Station,
Petlad, Dist. Anand, Gujarat - 388 450
Email: pbummills@patodiagroup.com
Web: www.pbmpolytex.com
CIN: L17110GJ1919PLC000495