



**Anjani Synthetics Limited**

CIN : L11711GJ1984PLC007048

ASL/2021/SEC/ANNUAL REPORT

04<sup>th</sup> September, 2021

To,  
The Secretary,  
Department of Corporate Services,  
Bombay Stock Exchange Limited  
25<sup>th</sup> Floor, Phiroze Jeejeebhoy Towers,  
Dalal Street, Mumbai- 400001, MH

BSE Scrip Code: 531223

Respected Sir/ Ma'am,

**Sub: Annual Report for the financial year 2020-21 including Notice of Annual general Meeting**

This is to inform that the 37<sup>th</sup> (Thirty Seventh) Annual General Meeting ("AGM") of the Members of the Company will be held on Tuesday, 28<sup>th</sup> September, 2021 at 11:00 p.m. IST through Video Conferencing ("VC")/Other Audio Visual Means ("OAVM"), in accordance with the applicable circulars issued by the Ministry of Corporate Affairs and the Securities and Exchange Board of India.

Kindly find enclosed herewith the Annual Report of the Company for the financial year 2020-21 including Notice convening AGM ("Notice").

The Annual Report including Notice is also uploaded on the Company's website at [www.anjanisynthetics.com](http://www.anjanisynthetics.com)

Kindly take the same on your record.

Thanking you,

Yours faithfully,

FOR ANJANI SYNTHETICS LIMITED

  
Rachita Somani  
Company Secretary & Compliance Officer  
ACS: 46058



Enc: Annual Report



**ANJANI SYNTHETICS LIMITED**

**CIN: L11711GJ1984PLC007048**

**37th**  
**Annual Report**  

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**2020 - 2021**

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



# ANJANI SYNTHETICS LIMITED

CIN: L11711GJ1984PLC007048

37<sup>TH</sup> ANNUAL REPORT- 2020-21

## Corporate Information

### Board of Directors

Mr. Vasudev S. Agarwal	-	Chairman & Managing Director
Mr. Sanjay Goverdhan Sharma	-	Additional Executive Director (appointed w.e.f. 12th December, 2020)
Ms. Garima Jain	-	Non Executive Independent Woman Director
Mr. Gopal S. Pansari	-	Non Executive Independent Director (resigned w.e.f 13th August, 2021)
Mr. Sourabh Vijay Patawari	-	Non Executive Independent Director
Mr. Alpesh Fatehsingh Purohit	-	Additional Director (Non Executive Independent Director) (appointed w.e.f. 13th August, 2021)
Mr. Manoharlal I. Sharma	-	Chief Financial Officer (CFO)
Ms. Rachita Somani	-	Company Secretary & Compliance officer
Mr. Vikas Sharma	-	Chief Executive Officer (CEO) (appointed w.e.f 13th August, 2021)

### Statutory Auditors

#### **M/s. Abhishek Kumar & Associates**

Chartered Accountants  
Ahmedabad

### Secretarial Auditors

#### **M/s. Mukesh H. Shah & Co.**

Company Secretaries  
Ahmedabad

### Registrar & Share Transfer Agent

#### **Bigshare Services Private Limited**

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

### Registered Office

221 (Maliya), New Cloth Market, O/s. Raipur Gate,  
Ahmedabad- 380002, Gujarat, India.  
Tel. No. : 079-22173181  
Email : info@anjanisynthetics.com  
Website: www.anjanisynthetics.com  
CIN: L11711GJ1984PLC007048

### Internal Auditors

#### **M/s. Monika bhandari & Co.**

Chartered Accountants  
Ahmedabad

### Cost Auditors

#### **M/s. Kiran J. Mehta & Co.**

Cost Accountants  
Ahmedabad

### Bankers

#### **State Bank Of India**

Ahmedabad

### Factory/ Mill

Plot No. 140, Pirana Road, Saijpur- Gopalpur,  
Piplej, Ahmedabad-382405, Gujarat, India  
Tel. No. : 079-29708149  
Email: info@anjanisynthetics.com

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## NOTICE

Notice is hereby given that the **37th Annual General Meeting** of the Members of Anjani Synthetics Limited will be held on Tuesday, the 28th day of September, 2021 at 11.00 a.m. through Video conferencing ("VC") or Other Audio Visual Means ("OAVM") to transact the following business:

### a) ORDINARY BUSINESS:

#### Item No.1: Adoption of Financial Statements

To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended 31<sup>st</sup> March, 2021, the reports of the Board of Directors and the Auditors thereon.

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

To appoint Mr. Vasudev Subhakaran Agarwal [DIN:01491403] as a Director who retires by rotation and being eligible, offers him-self for re- appointment.

### b) SPECIAL BUSINESS:

#### Item No.3: To consider and if thought fit to pass with or without modification(s) the following resolution as an Ordinary Resolution

"RESOLVED THAT pursuant to the provisions of Section 148 and all other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Cost Audit and Record) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), M/s. Kiran J. Mehta & Co., Cost Accountants (Firm Registration No. 000025), on the recommendation of the Audit Committee and approval by the Board of Directors of the Company, to conduct the audit of the cost records of the Company for the financial year 2021-22, be paid the remuneration as set out in the Statement annexed to the Notice convening this Meeting be and is hereby approved and ratified."

"RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to do all such acts, deeds and things as may be necessary to give effect to this Resolution.

#### Item No. 4: To consider and, if thought fit to pass, with or without modification (s) the following resolution as a Ordinary Resolution:

"RESOLVED THAT Mr. Sanjay Goverdhan Sharma (DIN: 02455999), who was appointed as Additional Director on 12th December, 2020 by the Board of Directors and hold office up to the date of Annual General Meeting under section 161 of Companies Act, 2013 and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as Director of the Company liable to retire by rotation.

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

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

"RESOLVED THAT pursuant to the provision of section 149, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modifications or re-enactment thereof for the time being in force) read with Schedule IV of the Companies Act, 2013, Mr. Alpesh Fatehsingh Purohit



(DIN:07389212), who was appointed as Additional Independent Director on 13th August, 2021 and in respect of whom the company has received a notice in writing from a member under section 160 of the Companies Act, 2013 proposing his candidature for the office of Independent Director, be and is hereby appointed as a Non Executive Independent Director of the Company, not liable to retire by rotation and to hold office for 5 (five) consecutive years.

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

**Item No. 6: To consider and, if thought fit to pass, with or without modification (s) the following resolution as a Special Resolution:**

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

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

**By Order of the Board  
For, ANJANI SYNTHETICS LIMITED**

**Place : Ahmedabad  
Date : 13<sup>th</sup> August, 2021**

**VASUDEV S. AGARWAL  
(DIN : 01491403)  
CHAIRMAN & MD**

**Registered Office :**  
221, (Maliya) New Cloth Market,  
O/s. Raipur Gate, Ahmedabad- 380002,  
Gujarat, INDIA  
**CIN : L11711GJ1984PLC007048**



**NOTES:**

1. In view of the outbreak of CoVID-19 pandemic, the Ministry of Corporate Affairs (“MCA”) vide its Circular No.02/2021 dated 13th January, 2021 read with Circular No.20/2020 dated 5th May, 2020 and Circular No. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated 15th January, 2021 read with Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12th May, 2020 issued by the Securities and Exchange Board of India (SEBI) (collectively referred to as “the Circulars”) permitted the holding of the Annual General Meeting (“AGM”) through Video Conference (VC) / Other Audio Visual Means (OAVM), without the physical presence of the Members at a common venue.

**In compliance with the provisions of the Companies Act, 2013 (“Act”), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI LODR”) and the Circulars, the AGM of the Company is being held through VC / OAVM.**

2. The deemed venue for 37th AGM shall be the Factory Office of the Company at 140, Saijpur- Gopalpur, Pirana Road, Piplaj, Ahmedabad- 382405
3. The attendance of the Members attending the AGM through VC /OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
4. Though a Member, pursuant to the provisions of the Act, is entitled to attend and vote at the meeting, is entitled to appoint one or more proxies (proxy need not be a Member of the Company) to attend and vote instead of himself / herself, the facility of appointment of proxies is not available as this AGM is convened through VC / OAVM pursuant to the Circulars.
5. Since the AGM will be held through VC / OAVM, the Route Map, Attendance Slip and Proxy Form are not attached to this Notice.
6. Institutional / Corporate Shareholders (i.e. other than individuals / HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG Format) of its Board or governing body Resolution/Authorization etc., authorizing its representative to attend the AGM through VC / OAVM on its behalf and to vote through remote e-voting. The said Resolution/Authorization shall be sent to the Scrutinizer by email through its registered email address to mukeshshahcs@gmail.com with a copy marked to investor@anjanisynthetics.com
7. The Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013, in respect of the Special Businesses as set out in the Notice is annexed hereto.
8. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to atleast 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
9. Pursuant to the provisions of Section 91 of the Companies Act, 2013, read with Rule 10 of Companies (Management and Administration) Rules, 2014 and pursuant to Regulation 42 of 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), the Register of members and share transfer books of the Company will remain closed from Wednesday, 22nd September, 2021 to Tuesday, 28th September, 2021 (both the days inclusive).

10. To support the 'Green Initiative', we request the Members of the Company to register their Email Ids with their DP or with the Share Transfer Agent of the Company, to receive documents / notices electronically from the Company in lieu of physical copies. Please note that, in case you have already registered your Email Id, you are not required to re-register unless there is any change in your Email Id. Members holding shares in physical form are requested to send email at [bssahd@bigshareonline.com](mailto:bssahd@bigshareonline.com) to update their Email Ids.
11. As per Securities and Exchange Board of India (SEBI) Notification No. SEBI/LAD-NRO/GN/2018/24 dated 8th June, 2018 and further amendment vide Notification No. SEBI/LAD-NRO/GN/2018/49 dated 30th November, 2018, requests for effecting transfer of securities (except in case of transmission or transposition of securities) shall not be processed from 1st April, 2019 unless the securities are held in the dematerialized form with the depositories. With the said changes which came into effect from 1st April, 2019, Equity Shares of the Company shall be eligible for transfer only in dematerialized form. Therefore, the Members are requested to take action to dematerialize their physical Equity Shares of the Company promptly.
12. SEBI has mandated submission of Permanent Account Number (PAN) by every participant in securities market for transaction of transfer, transmission / transposition and deletion of name of deceased holder Members holding shares in demat form are, therefore, requested to submit PAN details to the Depository Participants with whom they have demat accounts. Members holding shares in physical form can submit their PAN details to the Registrar & Share Transfer Agent of the Company i.e. Bigshare Service Private Limited.
13. The information regarding the Director(s) who is / are proposed to be re-appointed, as required to be provided under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings issued, is annexed hereto.
14. Members desiring any information as regards to Accounts are requested to send an email to [investor@anjanisynthetics.com](mailto:investor@anjanisynthetics.com), 14 days in advance before the date of the meeting to enable the Management to keep full information ready on the date of AGM.
15. The Register of Directors and Key Managerial Personnel and their shareholdings maintained under Section 170 of the Companies Act, 2013 and the Register of Contracts or Arrangements maintained under Section 189 of the said Act, will be available electronically for inspection by the Members during the AGM. All documents referred to in the Notice will also be available for electronic inspection without any fee by the Members from the date of circulation of this Notice upto the date of AGM (i.e.) 28th September, 2021. Members seeking to inspect such documents can send e-mail to [investor@anjanisynthetics.com](mailto:investor@anjanisynthetics.com)
16. In terms of sections 101 and 136 of the Act, read with the rules made thereunder, the listed companies may send the notice of AGM and the annual report, including financial statements, boards' report, etc. by electronic mode. Pursuant to the said provisions of the Act read with MCA Circulars, SEBI Circular dated May 12, 2020 and January 15, 2021, Notice of 37th AGM along with the Annual Report for FY 2021 is being sent only through electronic mode to those members whose email addresses are registered with the Company/depositories. Members may note that the Notice of the 37th AGM and Annual Report for FY 2021



will also be available on the Company's website at [www.anjanisynthetics.com](http://www.anjanisynthetics.com), website of the stock exchange i.e., BSE Ltd. ('BSE') at [www.bseindia.com](http://www.bseindia.com) and on the website of CDSL at [www.cdslindia.com](http://www.cdslindia.com) In this notice, the term member(s) or shareholder(s) are used interchangeably

17. Members of the Company holding shares either in physical form or in dematerialized form as on Benpos date i.e. 27th August, 2021 will receive Annual Report for the financial year 2020-21 through electronic mode.
18. The Board of Directors of the Company has appointed Mukesh H Shah & Co., Practicing Company Secretary, as the Scrutinizer, to scrutinize the e-voting and remote e-voting process in a fair and transparent manner and he has communicated his willingness to be appointed and will be available for same purpose.
19. The Scrutinizer shall after the conclusion of voting at the Meeting, will first count the votes cast at the Meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two (2) witnesses not in the employment of the Company and shall provide, not later than forty eight (48) hours of the conclusion of the Meeting, a consolidated Scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing and declare the result of the voting forthwith.

**THE INSTRUCTIONS OF SHAREHOLDERS FOR E-VOTING AND JOINING VIRTUAL MEETING IS AS UNDER:**

- (i) The voting period begins on Saturday, 25th September, 2021 at 09:00 a.m. and ends on Monday, 27th September, 2021 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) of Tuesday, 21st September, 2021 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting.
- (iii) Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/ CIR/P/2020/242 dated December 9, 2020, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to all the demat account holders, by way of a single login credential, through their demat accounts / websites of Depositories / Depository Participants. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

- (iv) In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.





Pursuant to above said SEBI Circular, Login method for e-Voting and joining virtual meetings for Individual shareholders holding securities in Demat mode CDSL/NSDL is given below:

Type of Shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL	<ol style="list-style-type: none"> <li>1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or visit <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on Login icon and select New System Myeasi.</li> <li>2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the e-voting is in progress as per the information provided by company. On clicking the e voting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting. Additionally, there are also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly.</li> <li>3) If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></li> <li>4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the e-voting is in progress and also able to directly access the system of all e-Voting Service Providers.</li> </ol>
Individual Shareholders holding securities in demat mode with NSDL	<ol style="list-style-type: none"> <li>1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsd.com">https://eservices.nsd.com</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> </ol>



	<p>2) If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nSDL.com">https://eservices.nSDL.com</a>. Select "Register Online for IDeAS "Portal or click at <a href="https://eservices.nSDL.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nSDL.com/SecureWeb/IdeasDirectReg.jsp</a></p> <p>3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nSDL.com/">https://www.evoting.nSDL.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting</p>
<p>Individual Shareholders (holding securities in demat mode) login through their Depository Participants</p>	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p>

**Important note:** Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL

Login type	Helpdesk details
<p>Individual Shareholders holding securities in Demat mode with CDSL</p>	<p>Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 022- 23058738 and 22-23058542-43.</p>
<p>Individual Shareholders holding securities in Demat mode with NSDL</p>	<p>Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30</p>



- (v) Login method for e-Voting and joining virtual meeting for shareholders other than individual shareholders holding in Demat form & physical shareholders.
- 1) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
  - 2) Click on “Shareholders” module.
  - 3) 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. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
  - 4) Next enter the Image Verification as displayed and Click on Login.
  - 5) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier e-voting of any company, then your existing password is to be used.
  - 6) If you are a first-time user follow the steps given below:

**For Shareholders 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)  • Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).

- 7) After entering these details appropriately, click on “SUBMIT” tab.
- 8) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders 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.
- 9) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- 10) Click on the EVSN: 210825005 for the relevant Anjani Synthetics Limited on which you choose to vote.



- 11) 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.
- 12) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- 13) 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.
- 14) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- 15) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- 16) 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.
- 17) Facility for Non – Individual Shareholders and Custodians –Remote Voting
  - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves in the “Corporates” module.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
  - The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto: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.
  - Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; [investor@anjanisynthetics.com](mailto:investor@anjanisynthetics.com), if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

**INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER:**

1. The procedure for attending meeting & e-Voting on the day of the AGM/EGM is same as the instructions mentioned above for Remote e-voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for Remote e-voting.
3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM/EGM.



4. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
6. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
7. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance at least 10 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at investor@anjanisynthetics.com. The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance 10 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at investor@anjanisynthetics.com. These queries will be replied to by the company suitably by email.
8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
9. Only those shareholders, who are present in the AGM/EGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the EGM/AGM.
10. If any Votes are cast by the shareholders through the e-voting available during the EGM/AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

**PROCESS FOR THOSE SHAREHOLDERS WHO'S EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES.**

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to Company/RTA email id.
2. For Demat shareholders - Please update your email id & mobile no. with your respective Depository Participant (DP)
3. For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact at 022-23058738 and 022-23058542/43.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL, ) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call on 022-23058542/43.



**Contact Details:**

<b>COMPANY</b>	<b>ANJANI SYNTHETICS LIMITED</b> 221 (Maliya), New Cloth Market, O/s. Raipur Gate, Ahmedabad- 380002, Gujarat, India. Ph. No. : 079-22173181 Email : info@anjanisynthetics.com Website: www.anjanisynthetics.com
<b>REGISTRAR AND TRANSFER AGENT</b>	<b>BIGSHARE SERVICES PRIVATE LIMITED</b> A-802 Samudra Complex, Near Klassic Gold Hotel, Off. C G Road, Ahmedabad-380009, Gujarat Ph. No.: 079-40024135 Email: bssahd@bigshareonline.com Website: www.bigshareonline.com
<b>E VOTING AGENCY</b>	<b>CENTRAL DEPOSITORY SERVICES (INDIA) LIMITED</b> E-mail ID: helpdesk.evoting@cdslindia.com Phone : 022- 22723333/ 8588
<b>SCRUTINIZER</b>	<b>CSMUKESH H. SHAH PRACTISING COMPANY SECRETARY</b> Email id: mukeshshahcs@gmail.com



## ANNEXURE TO NOTICE

### EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 AND / OR REGULATION 36(3) OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

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

#### Item No.3:

The Board of Directors, on the recommendation of the Audit Committee, has approved the appointment of Kiran J. Mehta & Co., Cost Accountants as the Cost Auditors of the Company to audit the cost accounts/ cost records of the Company for the financial year 2021-22 on a remuneration of Rs.50,000/- (apart from reimbursement of out of pocket expenses and applicable taxes).

In accordance with the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Cost Audit and Record) Rules, 2014, the remuneration payable to the Cost Auditors has to be ratified by the Shareholders of the Company. Accordingly, consent of the members is sought for approval and ratification of the remuneration payable to the Cost Auditors for the financial year 2021-22.

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

None of the Directors or any Key Managerial Personnel or any relative of any of the Directors of the Company or the relatives of any Key Managerial Personnel is, in anyway, concerned or interested in this resolution.

#### Item No. 4:

Mr. Sanjay Goverdhan Sharma was appointed as an Additional Director of the Company, as recommended by the Nomination and Remuneration Committee ("NRC"), with effect from 12th December, 2020, by the Board of Directors under Section 161 of the Act. In terms of Section 161(1) of the Act, Mr. Sanjay Goverdhan Sharma holds office only upto the date of the forthcoming AGM of the Company but is eligible for appointment as a Director. He is a commerce graduate having experience in sales & marketing of Textile Industry for more than 15 years. He is energetic & having vast knowledge in Textile Industry. The board considers his continued association would be of immense benefit to the company and it is desirable to continue to avail services of Mr. Sanjay Goverdhan Sharma. An ordinary resolution in terms as set out in item no.4 of the accompanying Notice is placed before the members in the meeting for approval.

Except Mr. Sanjay Goverdhan Sharma, being appointee none of the other Directors/key managerial personnel of the Company or their relatives are, in any way, concerned or interested, financially or otherwise, in these resolutions at item no.4 of the notice.

#### Item No.5:

Pursuant to the provisions of Sections 149,152 and other applicable provisions of the Companies Act, 2013("the Act") and the rules made there under (including any statutory modification (s) or re-enactment thereof) read with the Listing Regulations, Mr. Alpesh Fatehsingh Purohit (DIN: 07389212)who was appointed as an Additional Independent Director of the Company with effect from 13th August, 2021 and whose term expires at ensuing general meeting is proposed to be appointed as Non-Executive Independent director of the Company to hold office for a term up to 05 (five) consecutive years commencing from 13th August, 2021.

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



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

**Item No.6:**

Pursuant to the first provision of Section 188(1) of the Companies Act, 2013, as our paid up capital is more than Rs.14Crore, no contract or arrangement can be entered in to with a related party for any item specified in sub section (1) except with the prior approval of the general meeting by special resolution. With the change in proviso under the New Companies Act, 2013, the approval is sought for the arrangement of job-work, purchase and sales of Textile goods on order to order basis with related parties as per the details given in table placed herein below for a period of one year.

<b>Sr. No.</b>	<b>Name of the Party</b>	<b>Name of Director or KMP</b>	<b>Nature of Interest/relationship</b>	<b>Nature of Transaction</b>	<b>Value estimate transaction per contract</b>
1	Virat Spinners Private Limited	Vasudev S. Agarwal	Group Company	Purchase/Sales	Rs. 100 lacs/ Rs. 100 Lacs
2	Virat Weaving Private Limited	Vasudev S. Agarwal	Group Company	Purchase/Sales	Rs. 800 lacs/ Rs. 800 Lacs
3	Aakruti Textile	Vasudev S. Agarwal	Group Company	Purchase/Sales	Rs. 100 lacs/ Rs. 100 Lacs
4	Aakriti Synthetics Private Limited	Vasudev S. Agarwal	Group Company	Purchase/Sales	Rs. 100 lacs/ Rs. 100 Lacs
5	Parth International Private Limited	Vasudev S. Agarwal	Group Company	Purchase/Sales	Rs. 800 lacs/ Rs. 800 Lacs

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

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

**By Order of the Board**  
**For, ANJANI SYNTHETICS LIMITED**

**Place : Ahmedabad**  
**Date : 13<sup>th</sup> August, 2021**

**VASUDEV S. AGARWAL**  
**(DIN: 01491403)**  
**CHAIRMAN & MD**





## ANNEXURE TO NOTICE

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

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

Name of the Director	Vasudev Subhakran Agarwal	Sanjay Goverdhan Sharma	Alpesh Fatehsingh Purohit
DIN	01491403	02455999	07389212
Date of Birth	19/11/1968	10/01/1982	26/10/1988
Date of appointment	03/06/2005	12/12/2020	13/08/2021
Qualifications	Graduate	Graduate	Graduate & Diploma
Directorship	Nil	Nil	1
Memberships/ Chairmanships of Committee of other public companies	Nil	Nil	Nil
Number of shares held in the Company	2383600	Nil	Nil
Expertise in Specific Area	Marketing, Production & Finance	Sales & Marketing and Factory Management	Finance & Accounts

**By Order of the Board  
For, ANJANI SYNTHETICS LIMITED**

Place : Ahmedabad

Date : 13<sup>th</sup> August, 2021

**VASUDEV S. AGARWAL  
(DIN: 01491403)  
CHAIRMAN & MD**

**DIRECTOR'S REPORT**

Dear Members,

The Directors of your company have great pleasure in presenting the (37<sup>th</sup>) Thirty Seventh Annual Report together with the Audited Financial Statements of your Company for the financial year ended on 31st March 2021.

**FINANCIAL SUMMARY**

The summary of the company's financial performance of the Company during the financial year 2020-21 as compared to the previous financial year 2019-20 is given below:

[Rupees in Lacs]

Particulars	Financial Year 2020-21	Financial Year 2019-20
Revenue from operations (Net)	26837.77	32517.09
Other income	37.24	111.21
<b>Total Revenue</b>	<b>26875.01</b>	<b>32628.30</b>
<b>Expenses</b>		
(a) Cost of materials consumed	17386.15	19846.71
(b) Purchases of stock-in-trade	--	--
(c) Changes in inventories of FG, WIP & Stock-in-Trade	408.26	2024.11
(d) Employee benefits expense	843.62	904.41
(e) Finance costs	539.63	766.19
(f) Depreciation and amortization expense	359.13	445.35
(g) Other expenses	6937.95	8163.61
<b>Total Expenses</b>	<b>26474.74</b>	<b>32150.38</b>
<b>Profit/ (Loss) before tax</b>	<b>400.27</b>	<b>477.92</b>
<b>Tax expense:</b>		
(a) Current tax expense	119.61	137.30
(b) Deferred tax	(14.37)	(15.67)
(c) Excess Provision of Tax for earlier Years	4.40	(0.43)
<b>Profit / (Loss) for the year</b>	<b>290.63</b>	<b>356.72</b>
Earnings per share (face value Rs.10/-) Basic & Diluted	1.97	2.42



## OPERATIONS REVIEW

The Company's total revenue from operations during the financial year ended 31st March 2021 were Rs. 26875.01 Lacs as against Rs. 32628.30 Lacs of the previous year with total expenses of Rs.26474.74 lacs (previous year of Rs. 32150.38 lacs).The Company has made Net Profit of Rs.290.63 Lacs as against Rs.356.72 Lacs of the previous year after considering Depreciation and Provision for Tax.

The EPS of the Company for the year 2020-21 is Rs. 1.97.

## DIVIDEND

No dividend has been recommended in respect of the financial year ended 31st March, 2021 and the entire surplus be ploughed back into the business to give accelerator to the business of the company and generate higher profit in future.

## EXPORTS

During the financial year, the Company has achieved export sales of Rs.517.66 Lacs (previous year of Rs. 815.37 Lacs).

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

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

## FIXED DEPOSIT

During the year under review, your Company has not accepted any fixed deposits within the meaning of Section 73 of the Companies Act, 2013 and the rules made there under.

## SHARE CAPITAL & LISTING

During the year under review there is no change in Authorized Share Capital of the Company. The Authorized Share Capital of the Company as at 31st March, 2021 stood at Rs. 15,00,00,000/- divided into 1,50,00,000 equity shares of Rs. 10/- each. The paid up capital of the company as at 31st March, 2021 stood at Rs. 14,75,00,000/-(Face value Rs.10/- each)

- a) The Company does not have any equity shares with differential rights;
- b) During the year under report, the Company has not issued any sweat equity shares;
- c) During the year under report, the Company has not issued any ESOP;
- d) Provision of money by Company for purchase of its own shares by employees or by trustees for the benefit of employees: The Company has not made any provision of money for the purchase of, or subscription for, shares in the Company, to be held by or for the benefit of the employees of the Company and hence the disclosure as required under Rule 16(4) of the Companies (Share Capital and Debentures) Rules, 2014 is not required.
- e) Listing with the stock exchanges :The Company's equity shares are listed on the Bombay Stock Exchange Limited (BSE) and it has paid the Annual Listing Fees for the financial year 2021-22
- f) Disclosure with respect to shares transferred in IEPF Account: In terms of the provisions of Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016, 7,282 shares whose dividends were unpaid/unclaimed for seven consecutive years taking the base year as Interim dividend for the



FY 2007-08 were transferred during the year to the Investor Education and Protection Fund.

#### **TRANSFER TO RESERVE**

The Company has not transferred any amount to the General Reserve for the financial year ended 31st March, 2021.

#### **CHANGE IN NATURE OF BUSINESS**

During the period under review, there is no change in the nature of business.

#### **DIRECTORS & KEY MANAGERIAL PERSONNEL**

The Board of Directors of your company has various Executive and Non-Executive Directors including Independent Directors who have wide experience in different disciplines of corporate functioning.

During the year, Board of Directors has appointed Mr. Sanjay Goverdhan Sharma in place of Mr. Bhoorsingh Bagsingh Parihar as an Executive Director of the company w.e.f. 12th December, 2020 subject to the approval of shareholders in the 37th Annual General Meeting.

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

The Board & Nomination & Remuneration Committee recommends the re-appointment of Mr. Vasudev Subhakaran Agarwal for your approval.

After the financial year ended 2020-21, Board of Directors has appointed Mr. Alpesh Fatehsingh Purohitin place of Mr. Gopal S. Pansari as an Additional Director in the category of Non Executive Independent Director of the company w.e.f. 13th August, 2021 subject to the approval of shareholders in the 37th Annual General Meeting. Also, the Board of Directors has appointed Mr. Vikas Anandilal Sharma as a Chief Executive Officer (CEO) of the Company w.e.f 13th August, 2021.

Brief details of Director proposed to be re-appointed as required under regulation 36 of the SEBI Listing Regulations are provided in the Notice of Annual General meeting.

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

#### **DISCLOSURE RELATED TO BOARD AND COMMITTEES**

##### **a) Number of Board Meetings conducted during the year under review**

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

During the year under review 7 (SEVEN) Board Meetings were convened. The intervening gap between the two meetings was within the period prescribed under the Companies Act, 2013. The details of the meetings are furnished in the Corporate Governance Report which forming part of this Annual Report.

##### **b) Independent Directors' Meeting**

The Independent Directors met on the 13th February, 2021, without the attendance of Non-Independent Directors and members of the Management. The Independent Directors reviewed the performance of Non-Independent



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

**c) Committees of the Board of Directors**

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

The Company has following Committees of the Board of Directors:

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

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

**d) Board Evaluation:**

Pursuant to the corporate governance requirements as prescribed in the Companies Act, 2013 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations 2015, the Board of Directors has carried out an annual evaluation of its own performance, Board Committees and of individual directors. In a separate meeting of independent directors, performance of non-independent directors, performance of the Board as a whole, performance of the Committee(s) of the Board and performance of the Chairman was evaluated, taking into account the views of other directors. Performance evaluation of independent directors was done by the entire Board, excluding the independent director being evaluated.

**e) Board Diversity**

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

**VARIOUS COMPANIES' POLICIES**

In accordance with the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Companies Act, 2013 the Company has formulated and implemented the various policies. All the Policies are available on Company's website ([www.anjanisynthetics.com](http://www.anjanisynthetics.com)) under the heading "Investor Relations". The policies are reviewed periodically by the Board and updated based on need and requirements.

**a) Policy on Director's Appointment and Remuneration**

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

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



and Key Managerial Personnel are as per the Nomination and Remuneration Policy of the Company.

**b) Vigil Mechanism**

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

**c) Risk Management Policy**

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

**d) Sexual Harrassment of Women at Workplace**

The Company has zero tolerance for sexual harassment at workplace and has adopted a policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the rules framed thereunder. During the financial year 2020-21, the Company has not received any complaints on sexual harassment.

**e) Contracts or Arrangements with Related Parties**

All related party transactions entered into during the financial year were on an arm's length basis and were in the ordinary course of business. Your Company had not entered into any transactions with related parties which could be considered material in terms of Section 188 of the Companies Act, 2013. Therefore, the disclosure of related party transactions as required under Section 134(3)(h) of the Companies Act, 2013 in Form AOC - 2 is attached. Suitable disclosure as required by the Indian Accounting Standard (Ind AS 24) has been made in the notes to the Financial Statements.

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

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

**AUDITORS & AUDITOR'S REPORT****a) Statutory Auditors:**

M/s. ABHISHEK KUMAR & ASSOCIATES, Chartered Accountants [FRN NO.: 130052W] was appointed as



the Statutory Auditors of the Company, to hold the office from the conclusion of the 33rd Annual General Meeting (AGM) to the conclusion of the 38th Annual General Meeting (AGM), subject to ratification of the appointment by the members at every Annual General Meeting. The Company has received the consent from the Auditors and confirmation to the effect that they are not disqualified to be appointed as the Auditors of the Company in the terms of the provisions of the companies Act, 2013 and the rules made thereunder. Further they are holding a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India (ICAI).

Accordingly, the Board of Directors had recommended the ratification of appointment of M/s. ABHISHEK KUMAR & ASSOCIATES, Chartered Accountants [FRN NO.: 130052W] as the Statutory Auditors of the Company to hold the office from the ensuing AGM till the conclusion of the next AGM on such remuneration as may be determined by the Board of Directors in consultation with them.

The Auditor's report to the shareholders on the Standalone Financials for the year ended March 31, 2021 does not contain any qualification, observation or adverse comment.

The Statutory Auditors' Report on the accounts of the Company for the accounting year ended 31st March, 2021 is self-explanatory and do not call for further explanations or comments that may be treated as adequate compliance of Section 134 of the Companies Act, 2013.

**b) Internal Auditors:**

M/s. Monika Bhandari & Co., Chartered Accountants, Ahmedabad has been appointed as Internal Auditors of the Company for the FY 2021-22. Internal Auditors are appointed by the Board of Directors of the Company on a yearly basis, based on the recommendation of the Audit Committee. The Internal Auditor reports their findings on the Internal Audit of the Company, to the Audit Committee on a yearly basis. The scope of internal audit is approved by the Audit Committee.

**c) Cost Auditors:**

The Company has appointed M/s. Kiran J. Mehta & Co., Cost Accountants, Ahmedabad as Cost Auditor of the Company to audit the cost accounts for the financial year 2021-22.

As per Section 148 read with Companies (Audit & Auditors) Rules, 2014 and other applicable provisions, if any, of the Companies Act, 2013 the Board of Directors of your Company has appointed M/s. Kiran J. Mehta & Co., Cost Accountants as the Cost Auditor of the Company for the financial year 2021-22 on the recommendations made by the Audit Committee subject to the approval of the Central Government.

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

The Cost Audit report for the financial year 2020-21 was filed within the due date. The due date for submission of the Cost Audit Report for the financial year 2021-22 is within 180 days from 31st March, 2021.

**d) Secretarial Auditors:**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, your Company had re-appointed Mr. Mukesh H. Shah, Practicing Company Secretary of Ahmedabad to undertake the Secretarial Audit of the Company. The secretarial audit report for the financial year 2020-21 is annexed to this Annual Report as Annexure-III.



**e) Details in respect of frauds reported by Auditors other than those which are reportable to the Central Government :**

The Statutory Auditors of the Company have not reported any fraud to the Audit Committee or to the Board of Directors under Section 143(12) of the Companies Act, 2013 read with Rule 13 of the Companies (Audit and Auditors) Rules, 2014.

**ANNUAL RETURN**

Pursuant to Section 92(3) read with Section 134(3) (a) of the Act as amended, the Annual Return is available on the Company's website [www.anjanisynthetics.com](http://www.anjanisynthetics.com)

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

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

**CORPORATE GOVERNANCE REPORT**

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

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

**MANAGEMENT DISCUSSION & ANALYSIS REPORT**

The Management Discussion and Analysis Report as required under the Listing Regulations are presented in a separate section and forms part of the Annual Report.

**INSURANCE**

Assets of your Company are adequately insured against various perils.

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

There are no material changes and commitments, affecting the financial position of the Company which has occurred between the end of financial year as on 31st March, 2021 and the date of Director's Report i.e. 13.08.2021.

**PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS**

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

**PARTICULARS OF EMPLOYEES**

Details pertaining to remuneration as required under section 197(12) of the companies act, 2013 read with rule 5(1) of the companies (appointment and remuneration of managerial personnel) rules, 2014:

- a) The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2020-21 and ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2020-21 are as under:





## Remuneration Ratio of Directors/ KMP/ Employees:

Name & Designation	Remuneration Paid		+/- in remuneration from previous year (Rs.)	Ratio/ Times per Median of employee remuneration
	FY 2020-21 (Rs in lacs)	FY 2019-20 (Rs in lacs)		
Vasudev S. Agarwal Chairman & MD	24,00,000	24,00,000	–	1073.42/10.73
Bhoorsingh B. Parihar Executive Director	2,44,920	3,23,430	-78,510	109.54/1.09
Sanjay Goverdhan Sharma	2,08,000	–	\$	93.03/0.93
Manoharlal I Sharma Chief Financial Officer	5,43,850	6,05,600	-61,750	243.24/2.43
Rachita Somani Company Secretary	2,99,775	2,52,995	+46,780	134.08/1.34

**Note :** Except Key Managerial Personnel i.e. Managing Director, Chief Financial officer and Company Secretary, no other directors received any remuneration from the Company other than sitting fees for attending Board meetings and Committees meetings.

\$ Details not given as Mr. Sanjay Goverdhan Sharma become additional executive director with effect from 12th December, 2020

- b) Median remuneration of employees was Rs. 223585/- during the year 2020-21
- c) The particulars of the employees who are covered by the provisions contained in Rule 5(2) and rule 5(3) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are as follows:
- The number of permanent employees on the roll of Company: 240 (Two hundred forty) as on 31 March, 2021.
- d) It is hereby affirmed that the remuneration paid is as per the Nomination and Remuneration Policy for Directors, Key Managerial Personnel and other Employees.

**INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY**

The Company has adequate internal control system, which is commensurate with the size, scale and complexity of its operations. The Company has a process in place to continuously monitor existing controls and identify gaps and implement new and / or improved controls wherever the effect of such gaps would have a material impact on the Company's operation.

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



**DIRECTORS' RESPONSIBILITY STATEMENT**

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

- a) In preparation of annual accounts for the year ended 31st March, 2021, the applicable accounting standards have been followed and that no material departures have been made from the same;
- b) The Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for that year;
- c) The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) The Directors had prepared the annual accounts for the year ended 31st March, 2021 on going concern basis.
- e) The Directors had laid down the internal financial controls to be followed by the Company and that such Internal Financial Controls are adequate and were operating effectively; and
- f) The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

**CORPORATE SOCIAL RESPONSIBILITY**

During the financial year under review, the provisions of Section 135 of the Act relating to the Corporate Social Responsibility are not applicable to your Company.

**COMPLIANCE WITH SECRETARIAL STANDARD**

Your Company has complied with Secretarial Standards issued by the Institute of Company Secretaries of India on Board and General Meetings.

**GENERAL**

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

- 1. Details relating to deposits covered under Chapter V of the Companies Act, 2013.
- 2. No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.



**ACKNOWLEDGEMENT**

Your Directors would like to express their appreciation for the assistance and co-operation received from the financial institutions, banks, Government authorities, customers, vendors and members during the year under review Your Directors place on record their deep appreciation to employees at all levels and workers for their hard work, dedication and commitment.

**By Order of the Board  
For, ANJANI SYNTHETICS LIMITED**

**Place : Ahmedabad**

**Date : 13<sup>th</sup> August, 2021**

**VASUDEV S. AGARWAL  
(DIN: 01491403)  
CHAIRMAN & MD**

**FORM NO. AOC-2**

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

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

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

Anjani Synthetics Limited has not entered into any contract/ arrangement/ transaction with its related parties which are not in ordinary course of business or at arm's length during FY 2020-21. The Company has laid down policies and procedures so as to ensure compliance to the subject section in the Companies Act, 2013 and the corresponding Rules. In addition, the process goes through internal and external checking, followed by quarterly reporting to the Audit Committee.

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

**2. Details of material contracts or arrangement or transactions at arm's length basis (Which may be deemed not in the ordinary course of business of the Company):**

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

**By Order of the Board  
For, ANJANI SYNTHETICS LIMITED**

**Place : Ahmedabad  
Date : 13<sup>th</sup> August, 2021**

**VASUDEV S. AGARWAL  
(DIN: 01491403)  
CHAIRMAN & MD**



## ANNEXURE-I

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

### A. CONSERVATION OF ENERGY

Energy Conservation Measures Taken:

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

### B. RESEARCH & DEVELOPMENT

Continued improvement in the products and processes adopted by the company is one of the basic areas of emphasis in terms of company's management policy. This helps achieve operational efficiencies over the period and equips the company in terms of product and process innovations as well as better cost management. Also, the Company has Quality Control Department to check the quality of different product manufactured.

### C. TECHNOLOGY ABSORPTION, ADAPTATION & INNOVATION

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

### D. FOREIGN EXCHANGE EARNINGS AND OUTGO:

[Amount in Rupees]

Foreign Exchange Earnings and Outgo	2020-21	2019-20
a) Foreign Exchange Earnings	51765991	81537055
b) CIF Value of Imports	527895	2405346
c) Expenditure in Foreign Currency	Nil	Nil

By Order of the Board  
For, ANJANI SYNTHETICS LIMITED

Place : Ahmedabad

Date : 13<sup>th</sup> August, 2021

VASUDEV S. AGARWAL  
(DIN: 01491403)  
CHAIRMAN & MD



## ANNEXURE-II

### FORM MR-3

#### SECRETARIAL AUDIT REPORT

For the financial year ended March 31, 2021

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

To the Members,

**ANJANI SYNTHETICSLIMITED**

(CIN:L11711GJ1984PLC007048)

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

Ahmedabad-380002,

Gujarat, INDIA

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Anjani Synthetics Limited (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, the explanations and clarifications given to me and the representations made by the management, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31st March, 2021, generally complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and maintained by the Company for the financial year ended on 31st March, 2021 and made available to me according to the provisions of:

- (i) The Companies Act, 2013 ("the Act") and the rules made thereunder as applicable;
- (ii) The Securities Contracts (Regulation) Act, 1956 ("SCRA") and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings (Not applicable to the Company during the audit period);
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ("SEBI Act"):
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 as amended from time to time;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 and 2015, as amended from time to time;



- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;(Not applicable to the Company during the audit period);
  - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014(Not applicable to the Company during the audit period);
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations. 2008(Not applicable to the Company during the audit period);
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client(Not applicable as the Company is not registered as a Registrars to an Issue or Share Transfer Agent during the financial year under review);
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009(Not applicable to the Company during the audit period); and
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998(Not applicable to the Company during the audit period);
- (vi) The Management has identified and confirmed the following laws as specifically applicable to the Company:
- a) The Factories Act ,1948;
  - b) Employees Provident Funds & Misc. Provisions Act,1952
  - c) Employees State Insurance Act, 1948
  - d) The Environment (Protection) Act, 1986
  - e) The Air (Prevention and Control of pollution) Act,1981
  - f) The Water (Prevention and Control of pollution) Act,1974
  - g) The Contract Labour (Regulation and Abolition) Act, 1970  
& it's Central Rules/ concerned State Rules

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India
- (ii) The provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review the Company has generally complied with the all material aspects of applicable provisions of the Acts, Rules, Regulations, Guidelines, Standards, etc. mentioned above except the following:

*As per Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Second Amendment Rules, 2019, Company was required to file form IEPF-4 regarding statement of shares to be transferred to the Investor Education and Protection Fund for the financial year 2007-08 but there has been delay in filing of form IEPF-4 due to some technical issues in the system of IEPF portal.*



I further report that:

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

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

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

**Place : Ahmedabad  
UDIN NO : F005827C000795121  
Date : 17.08.2021**

**MUKESH H. SHAH  
PROPRIETOR  
CP. NO. 2213 FCS NO.: 5827  
Peer Review Certificate No.:- 690/2020**

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





## ANNEXURE- A

To the Members,

ANJANI SYNTHETICS LIMITED

221 (Maliya), New Cloth Market,

O/s Raipur Gate

Ahmedabad-380002, Gujarat, India

My secretarial audit report for the financial year 31st March, 2021 is to be read along with this letter.

### Management's Responsibility

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.

### Auditor's Responsibility

2. My Responsibility is to express an opinion on these secretarial records, standards and procedures followed by the company with respect to secretarial compliances.
3. I believe that Audit evidence and information obtained from the company's management is adequate and appropriate for us to provide a basis for our opinion.
4. Wherever required, I have obtained the Management's representation about the compliance of laws, rules and regulations and happening of events etc.

### Disclaimer

5. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.
6. I have not verified the correctness and appropriateness of financial records and books of account of the company.

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

**Company Secretaries**

**Place: Ahmedabad**

**UDIN NO:F005827C000795121**

**Date:17.08.2021**

**MUKESH H. SHAH**

**PROPRIETOR**

**CP. NO. 2213 FCS NO.: 5827**

**Peer Review Certificate No.:- 690/2020**



## ANNEXURE- III

### REPORT ON CORPORATE GOVERNANCE

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

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

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

The fundamental principle of Corporate Governance is achieving sustained growth ethically and in the best interest of all stakeholders. It is not a mere compliance of laws, rules and regulations, but a commitment to values, best management practices and adherence to the highest ethical principles in all its dealings, to achieve the objects of the Company, enhance stakeholder value and discharge its social responsibility. The Company has a strong legacy of fair, transparent and ethical governance practices and it believes that good Corporate Governance is essential for achieving long-term corporate goals and to enhance stakeholders’ value. In this pursuit, the Company’s philosophy on the Code of Governance is based on the belief that effective Corporate Governance practices constitute a strong foundation on which successful commercial enterprises are built to last. Good Corporate Governance is indispensable to resilient and vibrant capital markets and is, therefore, an important instrument of investor protection. As a good corporate citizen, the Company lays great emphasis on a corporate culture of conscience, integrity, fairness, transparency, accountability and responsibility for efficient and ethical conduct of its business

The Company is conscious of the fact that the success of a corporation is a reflection of the professionalism, conduct and ethical values of its management and employees. In addition to compliance with regulatory requirements, the Company endeavours to ensure that highest standards of ethical and responsible conduct are met throughout the organization. The Company believes that good corporate governance practices help to enhance performance and valuation of the Company. The Company also respects the right of its shareholders to information on the performance of the Company and considers itself as trustee of its shareholders.

The Company is in compliance with the conditions of corporate governance as required under the SEBI (Listing Obligation and Disclosures Requirement) Regulations, 2015 (SEBI Listing Regulations) as applicable.

#### 2. BOARD OF DIRECTORS:

The Board of Directors of the Company is the highest governance authority within the management structure of the Company. Further, the Board of Directors of the Company is totally committed to the best practices for effective Corporate Governance.

The Board of Directors, along with its Committees, provides leadership and guidance to the management and directs and supervises the performance of the Company, thereby enhancing stakeholders’ value. The Board has a fiduciary duty in ensuring that the rights of all stakeholders are protected. The Board composition is in conformity with Section 149 of the Act and Regulation 17 of the Listing Regulations

**(A) Composition of the Board:**

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

None of the Directors is related to each other and there are no inter-se relationships between the Directors.

The Company has an active, diverse, experienced and a well-informed Board. The Company currently has a right mix of Directors on the Board who possess the requisite qualifications and experience in general corporate management, finance and other allied fields which enable them to contribute effectively to the Company in their capacity as Directors of the Company.

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

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

None of the Directors hold office in more than 20 companies and in more than 10 public companies as prescribed under Section 165(1) of the Act. No Director holds Directorships in more than 7 listed companies. Further, none of the Non-Executive Directors serve as Independent Director in more than 7 listed companies as required under the Listing Regulations. The Managing Director does not serve as an Independent Director in any listed company.

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

The category of Directors, their attendance at the Board Meetings for the year 2020-21 and the last Annual General Meeting, the particulars of no. of other Directorships and Committee Memberships held are as follows: (See Table-I).

**(C) Information on Board Meetings, Procedure and Evaluation:**

The Board Meetings are held at least once in every quarter inter-alia, to review the quarterly results of the Company. The gap between the two Board Meetings does not exceed 120 days.

Further, the agenda is circulated well in advance to the Board/ Committee Members along with comprehensive background information on the items in the agenda to enable the Board and Committees to arrive at appropriate decisions. The Company Secretary tracks and monitors Board and Committee proceedings to ensure that the Terms of Reference/Charters are adhered to, decisions are properly recorded in the minutes and actions on the decisions are tracked. The agenda and related information is circulated through a highly secure web-based application, which can be accessed electronically. This has reduced paper consumption, thereby enhancing the sustainability efforts of the Company. All the mandatory items as prescribed in Regulation 17(7) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are placed before the Board of Directors.



During the year under review the Board of Directors met 7 (SEVEN) Board Meetings which were convened and held on 24.07.2020, 25.08.2020, 07.11.2020, 12.12.2020, 01.02.2021, 13.02.2021 and 20.03.2021.

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

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

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

**Board Evaluation:** In terms of the requirement of the Act and the Listing Regulations, an annual performance evaluation of the Board is undertaken where the Board formally assesses its own performance with the aim to improve the effectiveness of the Board and the Committees. During the year, Board Evaluation cycle was completed by the Company internally which included the Evaluation of the Board as a whole, Board Committees and Peer Evaluation of the Directors. The exercise was led by the Chairman and Managing Director of the Company along with the Chairman of the Nomination and Remuneration Committee of the Company. The Evaluation process focused on various aspects of the functioning of the Board and Committees such as composition of the Board, Board Oversight and effectiveness, performance of Board Committees, Board skills and structure, etc. Separate exercise was carried to evaluate the performance of Independent Directors by the Board of Directors in its Board Meeting held on 13.02.2021 for the financial year 2020-21 pursuant to Regulation 17(10) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**A separate Meeting of Independent Directors** was held on 13.02.2021 to review the performance of Non-Independent Directors and Board of Directors as whole pursuant to Regulation 26(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the terms and conditions of Independent Directors are incorporated on the website of the Company [www.anjanisynthetics.com](http://www.anjanisynthetics.com)



Attendance record of Directors attending the Board meetings and Annual General Meetings during the year 2020-21:

Table-I

Name of the Director, their Designation & (DIN)	Category of Director	No. of Board Meetings		Last AGM Attendance	No. of other Directorship & Committee Member/ Chairmanship in other Companies		
		Held	Attended		Directorship*	Committee Membership**	Committee Chairmanship**
Mr. Vasudev S. Agarwal-CMD (01491403)	Executive Director	7	7	Yes	--	--	--
# Mr. Sanjay Goverdhan Sharma (02455999)	Executive Director	3	3	No	--	--	--
Ms. Garima Jain (08456031)	Independent & Non-Executive	7	7	Yes	--	--	--
Mr. Gopal S. Pansari (08226713)	Independent & Non-Executive	7	7	Yes	--	--	--
Mr. Sourabh Vijay Patawari (08364509)	Independent & Non-Executive	7	7	Yes	***01	***02	--
\$Mr. Bhoorsingh B. Parihar (01612692)	Executive Director	3	3	Yes	--	--	--

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

# Mr. Sanjay Goverdhan Sharma was appointed as Executive Director on 12.12.2020. \$ Mr. Bhoorsingh B. Parihar has resigned on 04.12.2020

\*\*\* Mr. Sourabh V. Patawari acts as Non- Executive Independent Director in Aarnav Fashions Limited. Also he is member in Audit Committee & Stakeholder's Grievance and Relationship Committee of Aarnav Fashions Limited

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

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

**Matrix highlighting core skills/expertise/competencies of the Board of Directors:**

The Board of Directors has identified the following skills required for the Company and the availability of such skills with the Board:

Skills & Expertise	Mr. Vasudev S. Agarwal	Mr. Sanjay G. Sharma	Mr. Gopal S. Pansari	Mr. Sourabh V. Patwari	Ms. Garima Jain
General Management & Leadership Experience	✓	✓	✓	✓	✓
Financial Expertise	✓		✓	✓	✓
Risk Management	✓	✓	✓		
Corporate Governance & Legal		✓		✓	✓
Industry Experience & entire value chain	✓	✓	✓	✓	
Marketing & quality control	✓	✓	✓		✓
Human Resources & Communication	✓			✓	✓

**Familiarization programme for Independent Directors:** The Independent Directors are provided with necessary documents, reports and other relevant information to enable them to familiarize with the Company's procedures and practices. The Independent Directors are taken for visit to Company's various plants / units, to enable them to have full understanding of manufacturing operations & processes of the Company and the industry in which it operates. Periodic presentations are made at the Board meetings on business and performance updates of the Company, business strategy and risks involved. At the time of induction of the newly appointed Independent Director, he / she is apprised adequately about the Company, latest financial statements with business model, industry scenario, competition, significant recent developments and also the Board processes which is apprised by the Managing Director, the Chief Financial Officer, the Company Secretary and the Senior Management of the Company. Details of the familiarization programme for the Independent Directors are available on the website of the Company: (URL: [http://anjanisynthetics.com/jp/investor\\_relations/Familiarization\\_Policy\\_Independent\\_Director.pdf](http://anjanisynthetics.com/jp/investor_relations/Familiarization_Policy_Independent_Director.pdf))

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

The details of Shares held by Non-Executive Directors of the Company pursuant to Regulation 26(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as on 31st March, 2021 are as under:

Sr. No	Name of Non-Executive Director	No. of Shares held	% Held
2.	Mr. Gopal Sanwormal Pansari	Nil	0.00
3.	Ms. Garima Jain	Nil	0.00
4.	Mr. Sourabh Patawari	Nil	0.00

**(E) Code of Conduct:**

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

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

Pursuant to Regulation 17(8) and Regulation 33(2)(a) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, CEO and CFO of the Company have certified to the Board of Directors the financial statement for the financial year ended 31st March, 2021.

**(G) Risk Management**

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

**3. COMMITTEES OF THE BOARD:**

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

**(A) AUDIT COMMITTEE:**

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

**Composition and Attendance:**

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

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

During the year the Audit Committee met 4 times on 24.07.2020, 25.08.2020, 07.11.2020 and 13.02.2021 attendance of the members as under:



Name of the Member	Designation	Category	No. of Meeting attended	
			Held	Attended
Mr. Gopal S. Pansari	Chairman	Non-Executive & Independent Director	4	4
Mr. Sourabh V. Patawai	Member	Non-Executive & Independent Director	4	4
Ms. Garima Jain	Member	Non-Executive & Independent Director	4	4

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

**Broad Terms of Reference of the Committee inter-alia include:**

- Appointment & performance evaluation of statutory and internal auditors;
- Review of Company's financial statements, internal financial reporting process and the audit process;
- Review of adequacy, reliability and effectiveness of internal financial controls, risk management process and vigil mechanism;
- Approval of related party transactions;
- Monitoring of process for compliance with laws, regulations and the code of conduct;
- Review of compliance with provision of SEBI Insider Trading Regulations, 2015;
- Scrutiny of inter-corporate loans and investments;
- Review of utilization of loans and/or advances from/investment by the holding Company in the subsidiary exceeding Rs.100 Crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans/advances/investments.

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

**Composition and Attendance**

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

During the year, 4 (four) Shareholder Grievance Committee meetings were held During the year the Audit Committee met 4 times on 24.07.2020, 25.08.2020, 07.11.2020 and 13.02.2021 attendance of the members as under:

Name of the Member	Designation	Category	No. of Meeting attended	
			Held	Attended
Mr. Gopal S. Pansari	Chairman	Non-Executive & Independent Director	4	4
Mr. Sourabh V. Patawai	Member	Non-Executive & Independent Director	4	4
Ms. Garima Jain	Member	Non-Executive & Independent Director	4	4





**Broad Terms of Reference of the Committee inter-alia include:**

- ✦ Approval and monitoring of transfer, transmission, split, consolidation and dematerialization, re-materialisation of shares/securities and issuance of duplicate share/security certificates by the Company as per the approval matrix;
  - ✦ Overseeing various issues relating to shareholders/security holders, including redressal of complaints relating to transfer of shares/security, non-receipt of annual reports, dividends declared etc.;
  - ✦ Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company. Shareholders Complaints are redressed through SEBI Complaints Redress System (SCORES).
- 1) Name of Non-executive Director heading the Committee: Mr. Gopal S. Pansari.
  - 2) Number of shareholders' complaints received: During the year 2020-21, the Company received complaints: Nil
  - 3) Number not solved to the satisfaction of shareholders: Nil
  - 4) Number of pending share transfers: Nil
  - 5) During the year the Committee met: 4 times.

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

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

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

During the financial year, 3 (two) Nomination and Remuneration Committee Meetings were held as on 24.07.2020, 25.08.2020 and 12.12.2020. The Committee reviews the information as listed under Regulation 19(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as well as under Section 178 of the Companies Act, 2013.

Name of the Member	Designation	Category	No. of Meeting attended	
			Held	Attended
Mr. Gopal S. Pansari	Chairman	Non-Executive & Independent Director	3	3
Mr. Sourabh V. Patawai	Member	Non-Executive & Independent Director	3	3
Ms. Garima Jain	Member	Non-Executive & Independent Director	3	3

**Terms of reference and complains:**

- Recommendation of nominations for membership of the Board, its Committees and the leadership team of the Company including Key Managerial Personnel ('KMP') as defined by the Companies Act, 2013 and Senior Management.
- Formulation of criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board of Directors a policy relating to the remuneration of the Directors, Key Managerial Personnel and other employees.



- Formulation of criteria for evaluation of performance of Independent Directors and the Board of Directors.
- Evaluation of performance of the Board, its Committees and individual Directors.
- Devising a policy on diversity of Board of Directors.
- Recommendation of remuneration payable to senior management.

#### 4. REMUNERATION OF DIRECTORS

##### (a) Remuneration Policy:

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

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

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

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

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

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

The aggregate value of salary, perquisites, commissions, Performance incentive & Sitting fees paid for the year 2020-21 to all the Directors are as follows.

(Rs. In Lacs)

Name of Director	Status Category	Sitting Fees					Remuneration Fixed Salary	Total
		BM	AC	SGRC	NRC	IDM		
Vasudev S. Agarwal	ED	-	-	-	-	-	24.00	24.00
Sanjay Goverdhan Sharma (Appointed on 12/12/2020)	ED	-	-	-	-	-	2.08	2.08
Gopal S. Pansari	ID&NED	0.24	-	-	-	-	-	0.24
Sourabh V. Patawari	ID&NED	0.36	-	-	-	-	-	0.36
Garima Jain	ID&NED	0.48	-	-	-	-	-	0.48
Bhoorsingh Bagsingh Parihar (Resigned on 04/12/2020)	ED	-	-	-	-	-	2.45	2.45
Total								29.61

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



Fixed Salary includes Salary, Perks & Retirement Benefits.

## 5. FEES TO STATUTORY AUDITORS

The details of fees paid to Statutory Auditors and all entities in the network firm/network entity of which the statutory auditor is a part during the year ended March 31, 2021 are as follows

(Rs. In Lakhs)

Sr. No.	Particulars	M/s. Abhishek Kumar & Associates and their network entities
1.	Audit Fees	1.50
2.	Certification Charges	0.08
	<b>Total</b>	<b>1.58</b>

## 6. INFORMATION ABOUT GENERAL BODY MEETINGS

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

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

Financial Year	AGM	Location/ Place of Meeting	Date	Time a.m./ p.m.
2019-20	36th	Plot No.140, Saijpur Gopalpur, Pirana Road, Piplej, Ahmedabad-382405 Through Video Conferencing (VC) or Other Audio Visual Means (OAVM)	28.09.2020	11:00 A.M
2018-19	35th	Plot No.140, Saijpur Gopalpur, Pirana Road, Piplej, Ahmedabad-382405	27.09.2019	11:00 A.M
2017-18	34th	Plot No.140, Saijpur Gopalpur, Pirana Road, Piplej, Ahmedabad-382405	28.09.2018	11:00 A.M

No Extra-Ordinary General Meeting was held during the financial year 2020-21.

### B. Special Resolution

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

FY (AGM/EGM)	Particulars	Date
2019-20 (AGM)	1. To give Authority to related party transaction	28.09.2020
2018-19 (AGM)	1. To give Authority to related party transaction	27.09.2019
2017-18 (AGM)	1. To give Authority to related party transaction	28.09.2018

### C. Postal Ballot:

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

## 7. MEANS OF COMMUNICATION

The Company has submitted its quarterly, half yearly and yearly financial results to the Stock Exchanges as well as published in leading Newspapers normally in leading English and in Vernacular daily Newspapers immediately



after its approval by the Board. The Company did not send the half yearly report to the Shareholders of the Company.

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

30th June, 2021	45 days from end of Quarter 30th June, 2021
30th September, 2021	45 days from end of Quarter 30th September, 2021
31st December, 2021	45 days from end of Quarter 31st December, 2021
Audited Results for the year ended on 31st March, 2022	60 days from end of Financial Year (i.e. on or before 30th May, 2022) (As per Regulation 33 of The SEBI (LODR) Regulations, 2015)

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

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

**c) BSE Listing Centre:**

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

**8. GENERAL INFORMATION FOR SHAREHOLDERS**

Date of Incorporation of the Company	28th day of June, 1984
Financial year	01.04.2020 to 31.03.2021
Day, date and time of AGM	Tuesday, 28th September, 2021 at 11.00 a.m.
Mode of AGM	Through Video Conferencing (VC) or Other Audio Visual Means (OAVM)
Dates of Book Closure	22.09.2021 to 28.09.2021 (both days inclusive)
Cut-off Date for E-voting	21.09.2021

**a) Listing On Stock Exchange:**

The Shares of the Company are listed at BSE Limited.

**b) Stock Code and ISIN No.**

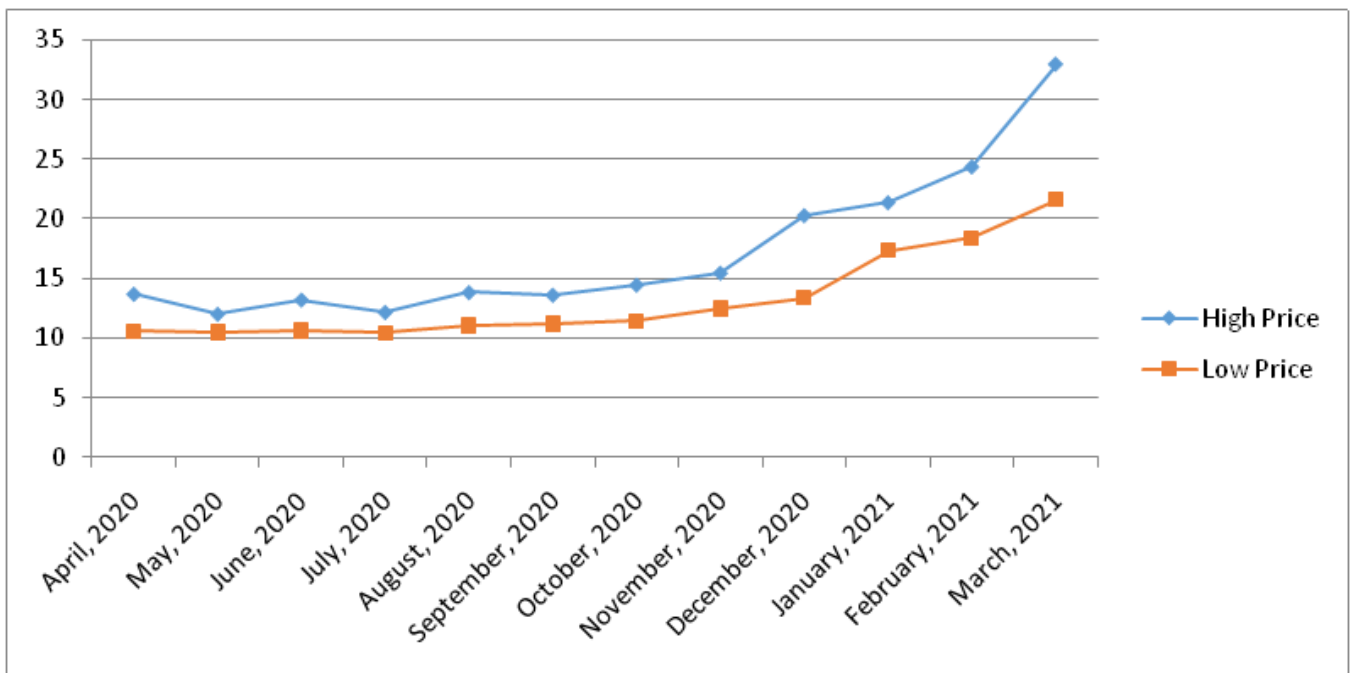
Stock Exchange	Scrip Code	ISIN
BSE Ltd.– Mumbai	531223	INE364D01024



## d) Stock Market Data

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

Month	High Price (Rs)	Low Price (Rs)
April, 2020	13.73	10.65
May, 2020	12.06	10.53
June, 2020	13.25	10.68
July, 2020	12.21	10.50
August, 2020	13.87	11.10
September, 2020	13.65	11.23
October, 2020	14.50	11.47
November, 2020	15.50	12.50
December, 2020	20.32	13.41
January, 2021	21.40	17.35
February, 2021	24.40	18.40
March, 2021	33.00	21.60





## e) Shareholding Profile:

Mode of Holding	As on 31st March, 2021		As on 31st March, 2020	
	No. of Shares	% to Equity	No. of Shares	% to Equity
Demat	14703565	99.69	14706375	99.70
Physical	46435	0.31	43625	0.30
Total	14750000	100.00	14750000	100.00

f) Shareholding Pattern (As of 31<sup>st</sup> March 2021)

Sr. No.	Categories	No. of shares	% of total holding
<b>A</b>	<b>Promoters Holding</b>		
	<b>Promoter &amp; Promoter Group</b>		
	Indian	10829888	73.42
	Foreign	-	-
<b>B</b>	<b>Non-Promoter Holding</b>		
	<b>Institutional :</b>		
	Central Government/State Government/President of India	12514	0.08
	Mutual Fund	-	-
	<b>Non-Institutional :</b>		
	Bodies Corporate	178741	1.21
	<b>Individuals :</b>		
	Capital upto Rs.2 Lacs	893579	6.06
	Capital greater than Rs.2Lacs	2598871	17.62
	<b>Any Others :</b>		
	HUF	202591	1.38
	Clearing Member	6232	0.04
	NRIs	27584	0.19
	<b>Total</b>	<b>14750000</b>	<b>100.00</b>

## g) Distribution of Shareholding as on 31.03.2021

Share Balance	Holders	% of Total	Total Shares	% of Total
Upto 1- 5000	1485	77.7487	184150	1.2485
5001- 10000	174	9.1099	144318	0.9784
10001- 20000	95	4.9738	150185	1.0182
20001- 30000	28	1.4660	72593	0.4922
30001- 40000	22	1.1518	78113	0.5296
40001- 50000	21	1.0995	98759	0.6696
50001- 100000	26	1.3613	183944	1.2471
100001- 9999999999	59	3.0890	13837938	93.8165
<b>TOTAL</b>	<b>1910</b>	<b>100.00</b>	<b>14750000</b>	<b>100</b>

**h) Registrar And Share Transfer Agent (RTA)****M/s. Bigshare Services Private Limited**

A-802 Samudra Complex,

Near Klassic Gold Hotel, Off. C. G. Road, Ahmedabad–380009, Gujarat, INDIA

Phone No.: 079-40024135

Email: [bssahd@bigshareonline.com](mailto:bssahd@bigshareonline.com)

Website: [www.bigshareonline.com](http://www.bigshareonline.com)

**i) Investors Communication And Investors Complaints To Be Address To**

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

M/s. Bigshare Services Private Limited

A-802 Samudra Complex,

Near Klassic Gold Hotel, Off. C G Road, Ahmedabad–380009, Gujarat

Ph. No.: 079-40024135

Email: [bssahd@bigshareonline.com](mailto:bssahd@bigshareonline.com)

Website: [www.bigshareonline.com](http://www.bigshareonline.com)

For other inquiry write to Company:

Ms. Rachita Somani –Company Secretary and Compliance officer

Registered Office: 221 (Maliya), New Cloth Market, O/s. Raipur Gate, Ahmedabad– 380002,  
Gujarat, INDIA

Phone No.: 079- 22173181

E-mail: [info@anjanisynthetics.com](mailto:info@anjanisynthetics.com)

E-mail: [investor@anjanisynthetics.com](mailto:investor@anjanisynthetics.com)

**j) Share Transfer Systems**

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

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

**k) Recommendation To Get The Shares Dematerialized**

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



**l) Registration of Email-Id for Receipt of Notices of General Meetings, Annual Report, Etc. In E-Form**

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

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

**m) Outstanding GDRs/ADRs/Warrants/Options Or Any Convertible Instruments**

The Company has no outstanding GDRs/ADRs/Warrants/Options or any convertible instruments as on 31st March 2021.

**n) Proceeds From Public Issue/Rights Issue/Preferential Issue/Warrant Conversion**

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

**o) Code of Conduct for Prevention of Insider Trading**

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

**p) Disclosure of Accounting Treatment in preparation of Financial Statement**

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

**q) Unpaid / Unclaimed Dividends of the Interim Dividend for the FY 2007-08 has been transferred to IEPF Authority**

In accordance with the provisions of Sections 124 and 125 of the Act and Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016 ('IEPF Rules') dividends not encashed / claimed within seven years from the date of declaration are to be transferred to the Investor Education and Protection Fund ('IEPF') Authority. The IEPF Rules mandate Companies to transfer shares of Members whose dividends remain unpaid / unclaimed for a continuous period of seven years to the demat account of IEPF Authority. The Members whose dividend / shares are transferred to the IEPF Authority can claim their shares / dividend from the Authority. In accordance with the said IEPF Rules and its amendments, the Company had sent notices to all the Shareholders whose shares were due to be transferred to the IEPF Authority and simultaneously published newspaper advertisement. In terms of the provisions of Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016, 7282 shares were transferred during the financial year 2020-21 to the IEPF. The Company has appointed a Nodal Officer under the provisions of IEPF, the details of which are available on the website of the Company at <http://www.anjanisynthetics.com>. The Company has uploaded the details of shareholders whose shares have been transferred to IEPF Authority on the website of the company.





## 9. OTHER DISCLOSURES

### A. Related Party Transaction

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

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

### B. Management Discussion and Analysis

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

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

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

### D. Vigil Mechanism

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

### E. Policy on Material Subsidiaries

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

### F. Policy on Related Party Transactions

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

## 10. Non-Mandatory Requirements

- (a) **The Board:** Since the Company has an Executive Chairman on its Board, there is no requirement for maintaining separate office.
- (b) **Shareholder's Right:** Half yearly financial results including summary of the significant events are presently not being sent to shareholders of the Company. However quarterly financial results are published in the leading newspapers and are also available on the website of the Company.
- (c) **Audit Qualification:** There is no qualification in the Auditor's Report on the Financial Statements to the shareholders of the Company.



- (d) **Separate Post of Chairman and CEO:** Mr. Vasudev S. Agarwal, Chairman and Managing Director of the Company also act as CEO of the Company.
- (e) **Reporting of Internal Auditor:** The Company's Internal Auditor, reports directly to the Audit Committee.

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

**Place: Ahmedabad**

**Date: 13<sup>th</sup> August, 2021**

**VASUDEV S. AGARWAL  
(DIN: 01491403)  
CHAIRMAN & MD**



## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Your Directors have pleasure in presenting the management discussion and analysis report for the year ended on March 31, 2021.

### DISCLAIMER

Statements in the Directors' Report & Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations or predictions may be "forward-looking statements" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make difference to the Company's operations include raw material availability and its prices, cyclical demand and pricing in the Company's principle markets, changes in Government regulations, tax regimes, economic developments within India and the countries in which the Company conducts business and other ancillary factors.

### 1. INDUSTRY STRUCTURE, DEVELOPMENT

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

India is the world's second-largest exporter of textiles and apparels, with a massive raw material and manufacturing base. The textile industry is a significant contributor to the economy, both in terms of its domestic share and exports. It contributes about seven per cent to industry output, two per cent to the GDP and 15 per cent to the country's total exports earnings. The Indian textiles industry is extremely varied, with the hand-spun and hand-woven textiles sectors at one end of the spectrum, while the capital intensive sophisticated mills sector at the other end of the spectrum. The decentralized power looms/ hosiery and knitting sector form the largest component of the textiles sector. The close linkage of the textile industry to agriculture (for raw materials such as cotton) and the ancient culture and traditions of the country in terms of textiles make the Indian textiles sector unique in comparison to the industries of other countries. The Indian textile industry has the capacity to produce a wide variety of products suitable to different market segments, both within India and across the world. With over 45 Million people employed directly, the textile industry is one of the largest sources of employment generation in the country. The growth of textile sector is largely depends on consumer spending and multiple factors like actual and perceived economic condition, disposable income and employment. Industry faces a non-level playing field in many markets due to tariff barriers, however industry needs to improve its productivity levels, economies of scale and organize itself better for large production at competitive prices.

### 2. REVIEW & FUTURE OUTLOOK OF THE COMPANY

The Company has reported improvement in its operational financial performance during the year under review. Economic slowdown has hit the company hard in terms of its business volumes and as a result its divisions have witnessed considerable reduction in production and sales volumes. At the same time, the company has continued its efforts on enhancing its product profile and customer segments which have helped it improve upon the margins. Over last few years, the company has invested into its operational capabilities targeted towards value-added products and has taken various initiatives to strengthen its manufacturing facilities and marketing setup. These steps have helped the company off-set the adverse impact of lower volumes to some extent. Moreover, the company's focus continues to remain on better controls over the operational costs as a continuing mission and its results are visible



in terms of reduced costs across most expense heads.

Various aspects like working conditions of workers, health related issues, minimizing risk of accidents at work place etc. are being taken care of by the Company. The Company will achieve more turnovers by various marketing strategies, offering more quality products, launching new products etc. in coming years followed by increase in profit margin by way of various cost cutting techniques and optimum utilization of various resources of the Company. The company has found export opportunities for the same line of textile products which they were doing Job work presently. Till yet company was involved in Job work but now with the view of export opportunities, company taken the lead towards the export in simultaneous with Job Work.

### **3. OPPORTUNITIES & THREATS**

The Government is committed to encourage the healthy growth of Capital Market for development of the Economy. While the government seems committed to reforms to address the challenges, political compromises and high populist spending in an election year will mean that tough decisions are more likely to be deferred. Financial health of the textile sector will play a major role going forward. The current uncertain business environment can pose an enhanced risk in terms of timely liquidity and financial soundness of the business partners.

### **4. SEGMENT-WISE PERFORMANCE:**

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

### **5. OUTLOOK:**

Outbreak of the Second wave of Covid-19 pandemic during the later part of the year is likely to alter the business scenario significantly going forward. The lockdown in various parts of India and continuous restrictions on movements have already disrupted manufacturing operations and adversely affected operational performance of the company, which would be more profoundly reflected in financials of next year.

Management has already taken measures to contain the adverse impact by way of optimizing plant operations, cash flow and liquidity management and effective cost management. The business situation is likely to remain very challenging in times to come. The focus will also shift to ensure adequate risk management in light of volatile and uncertain economic scenario. Further, the Company continues to explore the possibilities of expansion and will make the necessary investments when attractive opportunities arise.

### **6. RISK & CONCERNS:**

The Company is exposed to specific risks that are particular to its business and environment within which it operates, including Foreign Exchange Risk, Interest Rate Risk, Commodity Price Risk, Risk of Product Concentration and other Business Risk. While risk is an inherent aspects of any business, the Company is conscious of the need to have an effective monitoring mechanism and has put in place appropriate measure for its mitigation including business portfolio risk, financial risk and legal risk and internal process risk.

### **7. INTERNAL CONTROL SYSTEMS & THEIR ADEQUEACY:**

The Company's operating and business control procedures ensure efficient use of resources and comply with the procedures and regulatory requirements. The Company has appropriate internal control systems for business processes, with regard to efficiency of operations, financial reporting, compliance with applicable laws and regulations etc. All operating parameters are monitored and controlled. Regular internal audits and checks ensure that responsibilities are executed effectively. The system is improved and modified continuously to meet with changes in business conditions, statutory and accounting requirements. The Audit Committee of the Board of Directors actively



reviews the adequacy and effectiveness of internal control systems and suggests improvement for strengthening them, from time to time.

The Directors have appointed M/s. Monika Bhandari & Co, Chartered Accountants as the Internal Auditors of the Company for the FY 2021-22.

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

During the year, the Company has recorded a turnover of Rs. 26875.01 Lacs as compared to Rs. 32628.30 Lacs in the previous year. The Company has made net profit of Rs. 290.63 Lacs as compared to Rs. 356.72 Lacs of the previous year after providing depreciation, tax, etc. for the year ended 31st March, 2021.

#### 9. HEALTH, SAFETY AND ENVIRONMENT:

The Company believes that the human resources are vital in giving the Company a Competitive edge in the current business environment. The Company rely that the health and safety of the workers and the persons residing in the vicinity of its plants is fundamental to the business. Commitment to the identification and elimination or control of the workplace hazards for protection of all is utmost importance. Regarding environmental impact of its operations, the company is always vigilant and more than complies with all stipulated norms. The manufacturing operations are conducted to ensure sensitivity towards the environment and minimize waste by encouraging "Green" practices.

As in the past, the Company has enjoyed cordial relations with the employees at all levels. Also, the Company continues to run an in-house training programme held at regular intervals and aimed at updating their knowledge about issues.

#### 11. DETAILS OF SIGNIFICANT CHANGES (I.E. CHANGE OF 25% OR MORE AS COMPARED TO THE IMMEDIATELY PREVIOUS FINANCIAL YEAR) IN KEY FINANCIAL RATIOS:

<b>Debtors Turnover (in months)</b>		<b>Interest Coverage Ratio</b>	
2020-21	4.95 months	2020-21	2.46
2019-20	4.02 months	2019-20	2.20
<b>Current Ratio</b>		<b>Debt Equity Ratio</b>	
2020-21	1.40	2020-21	1.80
2019-20	1.33	2019-20	2.00
<b>Return on Net Worth</b>			
2020-21	4.17%		
2019-20	5.56%		

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

Place: Ahmedabad  
Date: 13<sup>th</sup> August, 2021

VASUDEV S. AGARWAL  
(DIN: 01491403)  
CHAIRMAN & MD



## CERTIFICATION BY CEO AND CFO OF THE COMPANY

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

- a) We have reviewed the financial statements and cash flow statement for the financial year ended 31st March, 2021 to the best of our knowledge and belief:
  - I. These statements do not contain any materially untrue statements or omit any material facts or contain statements that might be misleading.
  - II. These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b) To the best of our knowledge and belief, no transactions entered into by the Company during the financial year 2020-21, which are fraudulent, illegal or violate the Company's Code of Conduct.
- c) We accept responsibility for establishing and maintaining internal controls for financial reporting and have evaluated the effectiveness of the internal control systems of the Company for such reporting. We have disclosed to the Auditors and the Audit Committee, deficiencies, if any, in the design or operation of such internal controls, of which we are aware of and the steps taken and/or proposed to be taken to rectify these deficiencies.
- d)
  - i) Significant changes in internal control over financial reporting during the year.
  - ii) Significant change in accounting policies during the year requiring disclosure in the notes to the financial statements.
  - iii) We are not aware of any instance during the year of significant fraud with involvement therein of the management or any employee having a significant role in the Company's internal control system over financial reporting.

\_\_\_\_\_  
**VASUDEV S. AGARWAL**  
(Chairman & Managing Director)

\_\_\_\_\_  
**MANOHARLAL I. SHARMA**  
(Chief Financial Officer)

Place: Ahmedabad

Date : 13<sup>th</sup> August, 2021

## CODE OF CONDUCT - DECLARATION

As required under Schedule V (D) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board Members and the Senior Management Personnel have confirmed compliance with the Code of Conduct for the Board of Directors and the Senior Management for the year ended 31st March, 2021.

For and on behalf of the Board

Place: Ahmedabad

Date: 13<sup>th</sup> August, 2021

\_\_\_\_\_  
**VASUDEV S. AGARWAL**  
(Chairman & Managing Director)



## COMPLIANCE CERTIFICATE ON CORPORATE GOVERNANCE

To,  
The Members of,  
Anjani Synthetics Limited.

We have examined the compliance of conditions of Corporate Governance by Anjani Synthetics Limited ("the Company") for the year ended on 31st March, 2021, as stipulated in chapter IV of The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

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

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

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

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

**Place: Ahmedabad**  
**UDIN NO: F005827C000833049**  
**Date: 25.08.2021**

**MUKESH H. SHAH**  
**PROPRIETOR**  
**CP. NO. 2213 FCS NO.: 5827**

**CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,  
The Members of  
ANJANI SYNTHETICS LIMITED  
221(Maliya), New Cloth Market, O/s Raipur Gate  
Ahmedabad-380002,  
Gujarat, INDIA

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **ANJANI SYNTHETICS LIMITED** having **CIN:L11711GJ1984PLC007048** and having registered office at 221 (Maliya), New Cloth Market, O/s Raipur Gate, Ahmedabad-380002 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2021 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of appointment in Company*
1.	VASUDEV SUBHKARAN AGARWAL	01491403	03/06/2005
2.	BHOORSINGH BAGSINGH PARIHAR (Cessation w.e.f 04.12.2020)	01612692	12/10/2018
3.	GARIMA JAIN	08456031	15/06/2019
4.	GOPAL SANWARMAL PANSARI	08226713	12/10/2018
5.	SOURABH VIJAY PATAWARI	08364509	28/02/2019
6.	SANJAY GOVERDHAN SHARMA (Appointed as an additional executive Director w.e.f 12/12/2020)	02455999	12/12/2020

\*the date of appointment is as per MCA portal.

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

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

Place: Ahmedabad  
UDIN NO: F005827C000795176  
Date:17.08.2021

**MUKESH H. SHAH**  
PROPRIETOR  
CP. NO. 2213 FCS NO.: 5827





## Independent Auditors' Report

To the members of

**M/S. ANJANI SYNTHETICS LIMITED**

### Report on the audit of the Standalone Financial Results

#### Opinion

I have audited the accompanying standalone financial statements of **ANJANI SYNTHETICS LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2021, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and a summary of significant accounting policies and other explanatory information (herein after referred to as "the Standalone Financial Statements").

In my opinion and to the best of my information and according to the explanations given to me, the aforesaid Standalone Financial Statements give the information required by the Companies Act, 2013 ("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, 2021, and its profit, total comprehensive income, changes in equity and its cash flows for the year ended on that date.

#### Basis for opinion

I conducted my audit in accordance with the Standards on Auditing ('SAs') specified under Section 143(10) of the Act. My responsibilities under those standards are further described in the "Auditor's Responsibilities for the Audit of the Statement" section of my report. I am independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('the ICAI') together with the ethical requirements that are relevant to my audit of the financial statements under the provisions of the Act and the rules thereunder, and I have fulfilled my other ethical responsibilities in accordance with these requirements and the Code of Ethics. I believe that the audit evidence obtained by me, is sufficient and appropriate to provide a basis for my opinion

#### Key Audit Matters

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

#### Information other than the Financial Statements and Auditor's Report thereon

- The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board's Report and Corporate Governance Report, but does not include Standalone Financial Statements and my auditor's report thereon.
- My opinion on the Standalone Financial Statements does not cover the other information and I do not express any form of assurance conclusion thereon.
- In connection with my audit of the Standalone Financial Statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Standalone



Financial Statements or my knowledge obtained during the course of my audit or otherwise appears to be materially misstated. • If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

### **Responsibilities of Management and Those Charged with Governance for the Statement**

This Statement has been prepared on the basis of the annual audited financial statements and has been approved by the Company's Board of Directors. The Company's Board of Directors is responsible for the preparation and presentation of the Statement that gives a true and fair view of the net profit and other comprehensive income and other financial information of the Company in accordance with the accounting principles generally accepted in India, including Ind AS prescribed under Section 133 of the Act, read with relevant rules issued thereunder and other accounting principles generally accepted in India, and in compliance with Regulation 33 and Regulation 52 read with Regulation 63 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that are operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Statement that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

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

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

### **Auditor's Responsibilities for the Audit of the Statement**

My objectives are to obtain reasonable assurance about whether the Statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Standards on Auditing, specified under Section 143(10) of the Act, 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 this Statement.

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

A further description of the auditor's responsibilities for the audit of the financial statements is included in **Annexure A**. This description forms part of my auditor's report.

### **Report on Other Legal and Regulatory Requirements**

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



2. As required by section 143(3) of the Act, I report that:
- a) I have sought and obtained all the information and explanations, which to the best of my knowledge and belief are necessary for the purpose of my audit.
  - b) In my opinion proper books of account as required by law have been kept by the Company so far as appears from my examination of those books;
  - c) The balance sheet, the statement of profit and loss including Other Comprehensive Income, statement of changes in equity and the cash flow Statement dealt with by this Report are in agreement with the books of account;
  - d) In my opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the companies (Accounts) Rules, 2015, as amended;
  - e) On the basis of written representations received from the directors as on March 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164 (2) of the Act; and
  - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to my separate Report in “**Annexure C**”. My report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company’s internal financial controls over financial reporting.
  - g) With respect to the other matters to be included in the Auditor’s Report in accordance with the requirements of section 197(16) of the Act, as amended, in my opinion and to the best of my information and according to the explanations given to me, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
  - h) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in my opinion and to the best of my information and according to the explanations given to me:
    - i) The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements.
    - ii) The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any.
    - iii) The Provisions of transfer of funds to Investor Education and Protection Fund not applicable to the Company.

**As per our Report of Even Date  
For and on Behalf of  
For, Abhishek Kumar & Associates  
Chartered Accountants  
Firm Regn. No. 130052W**

Place : Ahmedabad  
Date : 30/06/2021  
UDIN: 21132305AAAAGP6551

**(CA. Abhishek Agarwal)  
ProprietorM.  
No. 132305**



## Annexure “A” to the Independent Auditor’s Report Responsibilities for Audit of Financial Statement

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

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

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

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

**As per our Report of Even Date  
For and on Behalf of  
For, Abhishek Kumar & Associates  
Chartered Accountants  
Firm Regn. No. 130052W**

**Place : Ahmedabad  
Date : 30/06/2021  
UDIN: 21132305AAAAGP6551**

**(CA. Abhishek Agarwal)  
ProprietorM. No. 132305**



## Annexure “B” to the Independent Auditor’s Report

The Annexure referred to in our Independent Auditor’s Report to the members of the Company on the financial statements for the year ended 31 March 2021, We report that;

- (i) In respect of Fixed Assets:
  - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
  - (b) As per the information and explanations given to us, all the assets have not been physically verified by the management during the year but there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the company and the nature of its assets. No material discrepancies were noticed on such verification.
  - (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- (ii) In respect of Inventory:
  - (a) As explained to us, inventories have been physically verified during the year by the management at reasonable intervals. In our opinion, the frequency of verification is reasonable. As informed to us there were no material discrepancies noticed on verification between the physical stocks and the book records and any discrepancies found has been properly dealt within the books of accounts.
- (iii) In respect of the loans, secured or unsecured, granted by the company to companies, firms or other parties covered in the register maintained u/s. 189 of the Companies Act, 2013:
  - (a) During the year under audit, the Company has not granted any loans, secured or unsecured, to the companies, firms and other parties covered in the register maintained under section 189 of the Companies Act, 2013 hence clause 3 (iii) (a), (iii) (b) and (iii) (c) of the Companies (Auditor’s Report) Order, 2019 are not applicable.
- iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans and investments made.
- v) According to the information and explanation given to us, the company has not accepted any deposit from the public during the year. Therefore the provisions of clause (v) of paragraph 3 of the order are not applicable to the company.
- vi) The central government has prescribed maintenance of cost records under section 148(1)(d) of the companies act 2013 in respect of certain manufacturing activities of the company. Company has obtained cost audit report for the financial year 2018-19 during the year. We have broadly reviewed the accounts and records of the company in this connection and am of the opinion, that prima facie, the prescribed accounts and records have been made and maintained. We have not, however carried out detailed examination of the same.
- vii)
  - (a) The company is generally regular in depositing the undisputed statutory dues including Provident Fund, Employees State Insurance, Income Tax, Wealth Tax, Sales Tax, Goods & Service Tax, Custom Duty, Excise Duty, Service Tax, Value Added Tax, Cess and any other statutory dues with the appropriate authorities. According to the information and explanations given to us no undisputed amounts payable



in respect of afore mentioned dues were outstanding as at 31<sup>st</sup> March 2021 for a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to me, details of statutory dues that have not been deposited on account of disputes are as under:

Sr. No.	Name of The Statute	Nature of Dues	Amount	Forum Where Dispute is Pending	Remark
1	Income Tax Act, 1961.	Income Tax	81373	CIT(A)	AY 2018-19
		<b>Total</b>	<b>81373</b>		

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

**As per our Report of Even Date  
For and on Behalf of  
For, Abhishek Kumar & Associates  
Chartered Accountants  
Firm Regn. No. 130052W**

Place : Ahmedabad  
Date : 30/06/2021  
UDIN: 21132305AAAAGP6551

(CA. Abhishek Agarwal)  
ProprietorM. No. 132305



## Annexure “C” to the Auditors’ Report

### Report on the Internal Financial Controls under Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 (‘the Act’)

I have audited the internal financial controls over financial reporting of **M/S. ANJANI SYNTHETICS LIMITED** (“the Company”), as of 31 March, 2021, in conjunction with our audit of the standalone financial statements of the Company for the year ended that date.

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

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

#### Auditor’s Responsibility

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

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

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

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

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company, (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made



only in accordance with authorizations of the Management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

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

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

**Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**As per our Report of Even Date  
For and on Behalf of  
For, Abhishek Kumar & Associates  
Chartered Accountants  
Firm Regn. No. 130052W**

**Place : Ahmedabad  
Date : 30/06/2021  
UDIN: 21132305AAAAGP6551**

**(CA. Abhishek Agarwal)  
ProprietorM. No. 132305**



**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>st</sup>MARCH, 2021****Note 1****I. Company Information**

Anjani Synthetics Limited (“the Company”) incorporated in 1984 in India. The principal activities of the Company is to be in the business of textile. The Company has manufacturing facilities in India. The company manufactures textile products. The registered office of Anjani Synthetics Limited is at 221 (Maliya), New Cloth Market O/s Raipur Gate, Ahmedabad, Ahmedabad, Gujarat. The factory address of Company is 140, Pinara Road, Piplej, Ahmedabad, Gujarat – 382405.

**Note 2****II. Basis of preparation**

A. The financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) Companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the Act.

B. The financial statements have been prepared on the historical cost basis except for the following assets and liabilities which have been measured at fair value:

1. Financial instruments measured at fair value through other comprehensive income.

**Note 3****III. Significant accounting policies****A. Revenue recognition**

Revenue from contract with customers Revenue from contracts with customers is recognized upon transfer of control of promised goods/ products to customers at an amount that reflects the consideration to which the Company expect to be entitled for those goods/ products. To recognize revenues, the Company applies the following five-step approach:

- Identify the contract with a customer,
- Identify the performance obligations in the contract,
- Determine the transaction price,
- Allocate the transaction price to the performance obligations in the contract, and
- Recognize revenues when a performance obligation is satisfied.

**1. Sale of goods**

Revenue from the sale of goods is recognized when the significant risks and rewards of ownership of the goods have passed to the buyer and no significant uncertainty exists regarding the amount of the consideration that will be derived from the sale of goods. Revenue from the sale of goods is measured at the fair value



of the consideration received or receivable, net of returns and allowances, related discounts & incentives and volume rebates. It includes excise duty and excludes value added tax/ sales tax/goods and service tax.

2. Sale of goods – non-cash incentive schemes (deferred revenue)

The company operates a non-cash incentive scheme programme where dealers / agents are entitled to non-cash incentives on achievement of sales targets. Revenue related to the non-cash schemes is deferred and recognized when the targets are achieved. The amount of revenue is based on the realization of the sales targets to the period of scheme defined.

3. Interest income

For all financial instruments measured either at amortized cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR), which is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortized cost of a financial liability. Interest income is included in other income in the statement of profit and loss.

4. Dividends

Dividend income is accounted for when the right to receive the same is established, which is generally when shareholders approve the dividend.

B. Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the asset. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that a company incurs in connection with the borrowing of funds.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying asset is deducted from the borrowing costs eligible for capitalization.

C. Government Grants

Government grants are only recognized where there is reasonable assurance that the grant will be received and all attached conditions will be complied with.

- When the grant relates to an expense item, it is recognized as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed.
- Where the grant relates to an asset, it is recognized as income in equal amounts over the expected useful life of the related asset.
- When loans or similar assistance are provided by governments or related institutions, at a below market rate of interest, the effect of this favorable interest is treated as a government grant. The loan or assistance is initially recognized and measured at fair value, and the government grant is measured as the difference



between the proceeds received and the initial carrying value of the loan. The loan is subsequently measured as per the accounting policies applicable to financial liabilities.

D. Export Benefits

Duty free imports of raw materials under advance license for imports, as per the Foreign Trade Policy, are matched with the exports made against the said licenses and the net benefits / obligations are accounted by making suitable adjustments in raw material consumption.

E. Taxes

1. Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on the rates and tax laws enacted or substantively enacted, at the reporting date in the country where the entity operates and generates taxable income.

Current tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity.

Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

2. Deferred tax

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

Deferred tax assets are the amounts of income taxes recoverable in future periods in respect of:

- i. deductible temporary differences;
- ii. the carry forward of unused tax losses; and
- iii. the carry forward of unused tax credits.

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

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

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



Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Minimum Alternative Tax (MAT) credit is recognized 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 recognized an asset in accordance with recommendations contained in Guidance Note issued by ICAI, the said asset is created by way of a credit to the Statement of Profit and Loss and shown 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 an extent there is no longer convincing evidence to the effect that the company will pay normal Income Tax during the specified period.

#### F. Leases

Amendments to Ind AS 116: Covid-19-Related Rent Concessions.

The amendments provide relief to lessees from applying Ind AS 116 guidance on lease modification accounting for rent concessions arising as a direct consequence of the Covid-19 pandemic. As a practical expedient, a lessee may elect not to assess whether a Covid-19 related rent concession from a lessor is a lease modification. A lessee that makes this election accounts for any change in lease payments resulting from the Covid-19 related rent concession the same way it would account for the change under Ind AS 116, if the change were not a lease modification. The amendments are applicable for annual reporting periods beginning on or after the 1 April 2020.

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a lessee

The Company applies a single recognition and measurement approach for all leases, except for short term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

##### 1) Right-of-use assets

- The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use).

Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognized, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Rightof- use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

- Leasehold buildings 8 to 10 years
- Leasehold Land 75 to 80 years



If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment. Refer to the accounting policies in section (p) Impairment of non-financial assets.

## 2) Lease Liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognized as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs. In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments.

## 3) Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value.

Lease payments on short-term leases and leases of low-value assets are recognized as expense on a straight-line basis over the lease term.

## G. Employee Benefits

All employee benefits payable wholly within twelve months of rendering services are classified as short term employee benefits. Benefits such as salaries, wages, short-term compensated absences, performance incentives etc., and the expected cost of bonus, ex-gratia are recognized during the period in which the employee renders related service.

Payments to defined contribution retirement benefit plans are recognized as an expense when employees have rendered the service entitling them to the contribution.

The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method. Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognized immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods.



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

- i. The date of the plan amendment or curtailment, and
- ii. The date that the company recognizes related restructuring costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset.

The company recognizes the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

- i. Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- ii. Net interest expense or income

1. Long-term employee benefits

Post-employment and other employee benefits are recognized as an expense in the statement of profit and loss for the period in which the employee has rendered services. A liability is recognized for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

2. Defined contribution plans

The company pays provident fund contributions to publicly administered provident funds as per local regulations. The company has no further payment obligations once the contributions have been paid.

H. Property, plant and equipment

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at acquisition cost of the items. Acquisition cost includes expenditure that is directly attributable to getting the asset ready for intended use. Subsequent costs are included in the asset's carrying amount or recognized 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 derecognized when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

An item of spare parts that meets the definition of 'property, plant and equipment' is recognized as property, plant and equipment. The depreciation on such an item of spare part will begin when the asset is available for use i.e. when it is in the location and condition necessary for it to be capable of operating in the manner intended by management. In case of a spare part, as it may be readily available for use, it may be depreciated from the date of purchase of the spare part.

Capital work in progress is stated at cost and net of accumulated impairment losses, if any. All the direct expenditure related to implementation including incidental expenditure incurred during the period of implementation of a project, till it is commissioned, is accounted as Capital work in progress (CWIP) and after commissioning the same is transferred / allocated to the respective item of property, plant and equipment.



Pre-operating costs, being indirect in nature, are expensed to the statement of profit and loss as and when incurred.

The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

Property, plant and equipment are eliminated from financial statement, either on disposal or when retired from active use. Losses arising in the case of retirement of property, plant and equipment are recognized in the statement of profit and loss in the year of occurrence.

Depreciation methods, estimated useful lives and residual value

Depreciation is calculated to allocate the cost of assets, net of their residual values, over their estimated useful lives. Components having value significant to the total cost of the asset and life different from that of the main asset are depreciated over its useful life. However, land is not depreciated. The useful lives so determined are as follows:

Assets	Estimated useful life
Lease hold land	Lease term (99 years)
Buildings	30 to 60 years
Plant and machinery	10 to 40 years
Furniture and fixtures	10 years
Office equipment	10 years
Vehicles	8 to 10 years

Depreciation on fixed assets has been provided in the accounts based on useful life of the assets prescribed in Schedule II to the companies Act, 2013.

Depreciation on additions is calculated on pro rata basis with reference to the date of addition.

Depreciation on assets sold/ discarded, during the period, has been provided up to the preceding month of sale / discarded.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within other gains / (losses).

#### I. Investment properties

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the company, is classified as investment property. Investment property is measured initially at its cost, including related transaction costs and where applicable borrowing costs. Subsequent expenditure is capitalized to the asset's carrying amount only when it is probable that future economic benefits associated with the



expenditure will flow to the company and the cost of the item can be measure reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognized.

#### J. Intangibles

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

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses. Internally generated intangibles, excluding capitalized development costs, are not capitalized and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

#### K. Inventories

Inventories are valued at the lower of cost and net realizable value.

1. Raw materials: cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on first in, first out basis.
2. Finished goods and work in progress: cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity, but excluding borrowing costs. Cost is determined on lower of cost or net realizable value.
3. Stores and spares: cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis. An item of spare parts that does not meet the definition of 'property, plant and equipment' has to be recognized as a part of inventories.
4. Fuel: cost includes cost of purchase and other cost incurred in bringing the inventories to their present location and condition. Cost is determined on first in, first out basis.

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

#### L. Investment in subsidiaries, joint ventures and associates

Investments in subsidiaries, joint ventures and associates are recognized at cost as per Ind AS 27. Except where investments accounted for at cost shall be accounted for in accordance with Ind AS 105, Non-current Assets Held for Sale and Discontinued Operations, when they are classified as held for sale.

#### M. Financial Instruments

- Financial assets

##### i. Initial recognition and measurement

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial





asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Financial assets are classified, at initial recognition, as financial assets measured at fair value or as financial assets measured at amortized cost.

ii. Subsequent measurement

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

- a. Debt instruments at amortized cost
- b. Debt instruments at fair value through other comprehensive income (FVTOCI)
- c. Financial assets at fair value through profit or loss (FVTPL)
- d. Equity instruments measured at fair value through other comprehensive income (FVTOCI)

iii. Debt instruments at amortized cost

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

- a. The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- b. Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the profit or loss. The losses arising from impairment are recognized in the profit or loss. This category generally applies to trade and other receivables.

iv. Debt instrument at FVTOCI

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

- a. The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- b. The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI).

v. Financial instrument at FVT

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.



In addition, the company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The company has not designated any debt instrument as at FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

vi. Equity investments

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

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

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

vii. Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a company of similar financial assets) is primarily derecognized (i.e. removed from the company's balance sheet) when:

- a. The rights to receive cash flows from the asset have expired, or
- b. The company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either
  - a) the company has transferred substantially all the risks and rewards of the asset, or
  - b) the company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the company continues to recognize the transferred asset to the extent of the company's continuing involvement. In that case, the company also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the company has retained.



viii. Impairment of financial assets

The company assesses impairment based on expected credit loss (ECL) model to the following:

- a. Financial assets measured at amortized cost;
- b. Financial assets measured at fair value through other comprehensive income (FVTOCI);

Expected credit losses are measured through a loss allowance at an amount equal to:

- a. The 12-months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or
- b. Full time expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument).

The company follows 'simplified approach' for recognition of impairment loss allowance on:

- a. Trade receivables or contract revenue receivables; and

Under the simplified approach, the company does not track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

The company uses a provision matrix to determine impairment loss allowance on the portfolio of trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivable and is adjusted for forward looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analyzed.

For recognition of impairment loss on other financial assets and risk exposure, the company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognizing impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/expense in the statement of profit and loss (P&L). This amount is reflected under the head 'other expenses' in the P&L.

ix. Financial assets measured as at amortized cost, contractual revenue receivables and lease receivables

ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the company does not reduce impairment allowance from the gross carrying amount.

For assessing increase in credit risk and impairment loss, the company combines financial instruments on



the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

The company does not have any purchased or originated credit-impaired (POCI) financial assets, i.e., financial assets which are credit impaired on purchase/ origination.

- Financial liabilities

- i. Initial recognition and measurement

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

The company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts.

- ii. Subsequent measurement

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

- a. Financial liabilities at fair value through profit or loss
- b. Loans and borrowings
- c. Financial guarantee contracts

- iii. Financial liabilities at FVTPL

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term.

Gains or losses on liabilities held for trading are recognized in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk is recognized in OCI. These gains/ loss are not subsequently transferred to P&L. However, the company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognized in the statement of profit and loss. The company has not designated any financial liability as at fair value through profit and loss.

- iv. Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit and loss.

- v. Derecognition



A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit and loss.

- Off-setting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the standalone balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

N. Impairment of non-financial assets

The company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or company's assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

Recoverable amount is determined:

- i. In case of individual asset, at higher of the fair value less cost to sell and value in use; and
- ii. In case of cash-generating unit (a company of assets that generates identified, independent cash flows), at the higher of the cash-generating unit's fair value less cost to sell and the value in use.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the company's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year.

Impairment losses of continuing operations, including impairment on inventories, are recognized in the statement of profit and loss, except for properties previously revalued with the revaluation surplus taken to OCI. For such properties, the impairment is recognized in OCI up to the amount of any previous revaluation surplus.

O. Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits



with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the company's cash management.

P. Segment accounting

The Chief Operational Decision Maker monitors the operating results of its business Segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the financial statements.

The Operating segments have been identified on the basis of the nature of products/services.

The accounting policies adopted for segment reporting are in line with the accounting policies of the company. Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment. Inter Segment revenue is accounted on the basis of transactions which are primarily determined based on market/fair value factors. Revenue, expenses, assets and liabilities which relate to the company as a whole and are not allocated to segments on a reasonable basis have been included under "unallocated revenue / expenses / assets / liabilities".

The Company is primarily engaged in the business of manufacturing, distribution and marketing of textile product. These, in the context of Ind AS 108 on Operating Segments Reporting are considered to constitute single business segment.

Q. Provisions, Contingent liabilities, Contingent assets and Commitments

General

Provisions are recognized when the company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognized as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

Contingent liability is disclosed in the case of:

1. A present obligation arising from the past events, when it is not probable that an outflow of resources will be required to settle the obligation;
2. A present obligation arising from the past events, when no reliable estimate is possible;
3. A possible obligation arising from the past events, unless the probability of outflow of resources is remote.



Commitments include the amount of purchase order (net of advances) issued to parties for completion of assets.

The company provides for the expenses to reclaim the quarries used for mining. The total estimate of reclamation expenses is apportioned over the estimate of mineral reserves and a provision is made based on the minerals extracted during the year. Mines reclamation expenses are incurred on an ongoing basis and until the closure of the mine. The actual expenses may vary based on the nature of reclamation and the estimate of reclamation expenditure.

Provisions, contingent liabilities, contingent assets and commitments are reviewed at each balance sheet date.

R. Dividend

Provision is made for the amount of any dividend declared, being appropriately authorized and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

The Company recognizes a liability to make cash distributions to equity holders of the Company when the distribution is authorized, and the distribution is no longer at the discretion of the Company. Final dividends on shares are recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors. The interim dividends declared during the year are approved by the Board of Directors.

S. Earnings per share

Basic earnings per share are calculated by dividing the net profit for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Earnings considered in ascertaining the company's earnings per share is the net profit for the period after deducting preference dividends and any attributable tax thereto for the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless they have been issued at a later date. The diluted potential equity shares have been arrived at, assuming that the proceeds receivable were based on shares having been issued at the average market value of the outstanding shares. In computing dilutive earnings per share, only potential equity shares that are dilutive and that would, if issued, either reduce future earnings per share or increase loss per share, are included.

T. Use of estimates and judgements

The presentation of the financial statements is in conformity with the Ind AS which requires the management to make estimates, judgments and assumptions that affect the reported amounts of assets and liabilities, revenues and expenses and disclosure of contingent liabilities. Such estimates and assumptions are based



on management's evaluation of relevant facts and circumstances as on the date of financial statements. The actual outcome may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to the accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment within the next financial year are included in the following notes:

- Current tax
- Fair valuation of unlisted securities

U. Statement of cash flows

Cash flow are reported using the indirect method, whereby net profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals of accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and finance activities of the company are segregated.

V. Current and non-current classification

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

- i. Expected to be realized or intended to be sold or consumed in normal operating cycle;
- ii. Held primarily for the purpose of trading;
- iii. Expected to be realized within twelve months after the reporting period, or
- iv. Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- i. It is expected to be settled in normal operating cycle;
- ii. It is held primarily for the purpose of trading;
- iii. It is due to be settled within twelve months after the reporting period, or
- iv. There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

All other liabilities are classified as non-current.

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

Operating Cycle





The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The company has identified twelve months as its operating cycle.

#### W. Foreign currency translation

Items included in the financial statements of the entity are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Indian rupee (INR), which is company's functional and presentation currency.

#### Transactions and balances

Transactions in foreign currencies are initially recorded by the company's entities at their respective functional currency spot rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognized in OCI or profit or loss are also recognized in OCI or profit or loss, respectively).

#### X. Fair value measurement

The company measures financial instruments, such as, derivatives at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

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

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

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

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

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



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

For assets and liabilities that are recognized in the financial statements on a recurring basis, the company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The company's Valuation Committee determines the policies and procedures for both recurring fair value measurement, such as derivative instruments and unquoted financial assets measured at fair value, and for non-recurring measurement, such as assets held for distribution in discontinued operations. The Valuation Committee comprises of the head of the investment properties segment, heads of the company's internal mergers and acquisitions team, the head of the risk management department, financial controllers and chief finance officer.

External valuers are involved for valuation of significant assets, such as unquoted financial assets. Involvement of external valuers is decided upon annually by the Valuation Committee after discussion with and approval by the management. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained. Valuers are normally rotated every three years. The management decides, after discussions with the company's external valuers, which valuation techniques and inputs to use for each case.

At each reporting date, the management analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per the company's accounting policies. For this analysis, the management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation.

The management, in conjunction with the Company's external valuers, also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

On an interim basis, the Valuation Committee and the Company's external valuers present the valuation results to the Audit Committee and the company's independent auditors. This includes a discussion of the major assumptions used in the valuations.

For the purpose of fair value disclosures, the company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

This note summarizes accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

- i. Disclosures for valuation methods, significant estimates and assumptions.
- ii. Quantitative disclosures of fair value measurement hierarchy.



- iii. Investment in unquoted equity shares (discontinued operations).
- iv. Financial instruments (including those carried at amortized cost).

Y. Exceptional items

Certain occasions, the size, type or incidence of an item of income or expense, pertaining to the ordinary activities of the company is such that its disclosure improves the understanding of the performance of the company, such income or expense is classified as an exceptional item and accordingly, disclosed in the notes accompanying to the financial statements.

Z. New Accounting Standards are applicable from April 1, 2021 MCA notifies new standard or amendments to the existing standards. They are applicable from April 1, 2021.

On March 24, 2021, the MCA through a notification, amended Schedule III of the Companies Act, 2013. Key amendments relating to Division II which relate to companies whose financial statements are required to comply with Companies (Indian Accounting Standards) Rules 2015 are:

- Lease liabilities should be separately disclosed under the head 'financial liabilities', duly distinguished as current or non-current.
- Current maturities of long-term borrowings should be disclosed separately within borrowings instead of earlier disclosure requirement under Other Financial Liabilities.
- Certain additional disclosures in the statement of changes in equity due to prior period errors and restated balances at the beginning of the current reporting period.
- Specified format for disclosure of shareholding of promoters.
- Specified format for ageing schedule of trade receivables, trade payables, capital work-inprogress and intangible asset under development.
- Additional disclosures relating to Corporate Social Responsibility, undisclosed income and crypto or virtual currency.
- Disclosure of specified ratios along with explanation for items included in numerator and denominator and explanation for change in any ratio is excess of 25% compared to preceding year.
- If a company has not used funds for the specific purpose for which it was borrowed from banks and financial institutions, then disclosure of details of where it has been used.
- Specific disclosure under 'additional regulatory requirement' such as compliance with approved schemes of arrangements, compliance with number of layers of companies, title deeds of immovable property not held in name of company, loans and advances to promoters, directors, key managerial personnel and related parties and details of benami property held.

These amendments are applicable from April 1, 2021. The Company is currently evaluating the impact of these amendments on the standalone financial statements.



AA. Impact of Covid-19 on the business of the companies

As a result of lockdown lockdown policies, restriction on business activities and business shutdowns, the volumes of the current financial year is impacted. Revenue from operation in absolute term have decreased due to COVID-19 related market volatility. Therefore, financial results for the year ended 31st March, 2021 are not comparable to previous corresponding period results. Further, the management believes that the impact of this outbreak on the business and financial position of the Company will not be significant. The management does not see any risks in the Company's ability to continue as a going concern and meeting its liabilities as and when they fall due.



## Standalone Balance Sheet as at March 31, 2021

(Amount in INR)

Particulars	Notes	As at March 31, 2021	As at March 31, 2020
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, Plant and Equipment	4	16,74,70,835	19,38,85,389
Capital work-in-progress		-	-
Other intangible assets	5A	1,81,66,288	2,21,81,045
Financial assets			
(i) Investments	6	5,27,41,275	4,62,54,750
(ii) Loans	7	1,00,28,454	97,46,500
<b>Total non-current assets</b>		<b>24,84,06,852</b>	<b>27,20,67,684</b>
<b>Current assets</b>			
Inventories	8	40,64,58,875	46,02,56,266
Financial assets			
(i) Trade receivables	9	1,12,41,62,458	1,08,89,41,078
(ii) Cash and cash equivalents	10	15,90,704	11,22,018
Other current assets	11	17,27,36,744	16,64,03,001
Current tax assets (Net of Advance Tax and TDS)		-	-
<b>Total current assets</b>		<b>1,70,49,48,781</b>	<b>1,71,67,22,363</b>
<b>TOTAL ASSETS</b>		<b>1,95,33,55,633</b>	<b>1,98,87,90,047</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity share capital	12	14,75,00,000	14,75,00,000
Other equity	13	54,89,04,554	51,49,87,767
<b>Total equity</b>		<b>69,64,04,554</b>	<b>66,24,87,767</b>
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	14	3,34,78,766	3,79,05,941
Deferred tax liabilities (net)	15	25,02,912	23,06,753
<b>Total non-current liabilities</b>		<b>3,59,81,678</b>	<b>4,02,12,694</b>
Current liabilities			
Financial liabilities			
(i) Borrowings	16	61,44,47,302	49,69,39,456
(ii) Trade payables	17		
Total outstanding dues of MSME		10,78,16,200	53,84,03,851
Total outstanding dues of other than MSME		40,04,78,683	14,37,37,966
(iii) Other financial liabilities	18	17,49,649	26,12,224
Other current liabilities	19	9,16,84,289	9,54,58,515
Provisions	20	23,07,558	60,21,060
Current tax liabilities (Net of Advance tax and TDS)	21	24,85,720	29,16,514
<b>Total current liabilities</b>		<b>1,22,09,69,401</b>	<b>1,28,60,89,587</b>
<b>Total liabilities</b>		<b>1,25,69,51,079</b>	<b>1,32,63,02,281</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>1,95,33,55,633</b>	<b>1,98,87,90,047</b>

See accompanying Notes 1 to 39 forming part of financial statements

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

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

UDIN: 21132305AAAAGP6551

Place : Ahmedabad  
Dated : 30-06-2021

For and on behalf of the Board of Directors  
Anjani Synthetics Limited

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

Manoharlal Sharma  
(Chief Financial Officer)

Place : Ahmedabad  
Dated : 30-06-2021

Sanjay G. Sharma  
(Director)  
(DIN-02455999)

Rachita Somani  
(Company Secretary)



## Standalone Statement of Profit and Loss for the year ended March 31, 2021

(Amount in INR)

Particulars	Notes	For the year ended	
		March 31, 2021	March 31, 2020
I Revenue from operations	22	2,68,37,77,226	3,25,17,09,063
II Other income	23	66,24,042	1,19,61,794
III <b>Total Income (I + II)</b>		<b>2,69,04,01,268</b>	<b>3,26,36,70,857</b>
<b>Expenses:</b>			
Cost of materials consumed	24	1,73,86,14,737	1,98,46,70,583
Changes in inventories of finished goods and work-in-progress	25	4,08,26,128	20,24,10,620
Employee benefits expense	26	8,43,61,863	9,04,40,707
Finance costs	27	5,39,63,170	7,66,18,899
Depreciation and amortisation expense	5B	3,59,12,641	4,45,35,317
Other expenses	28	69,66,95,526	81,72,02,343
IV <b>Total expenses</b>		<b>2,65,03,74,065</b>	<b>3,21,58,78,469</b>
V <b>Profit before tax (III-IV)</b>		<b>4,00,27,203</b>	<b>4,77,92,388</b>
VI Tax expense:	37		
a) Current tax		1,19,61,161	1,37,29,624
b) Short/(excess) provision for tax of earlier years		4,39,618	(42,939)
c) Deferred tax (credit)/charge		(14,36,499)	(15,66,697)
		<b>1,09,64,281</b>	<b>1,21,19,988</b>
VII <b>Profit after tax from continuing operations (V-VI)</b>		<b>2,90,62,922</b>	<b>3,56,72,400</b>
<b>Other Comprehensive Income</b>			
A (i) Items that will not be reclassified to profit or loss			
Equity instruments through other Comprehensive		64,86,525	63,13,750
(ii) Income tax relating to items that will not be reclassified to profit or loss"		(16,32,658)	(15,89,045)
B (i) Items that will be reclassified to profit or loss			
(ii) Income tax relating to items that will be reclassified to profit or loss"		-	-
VIII <b>Total Other Comprehensive Income (A + B)</b>		<b>48,53,867</b>	<b>47,24,705</b>
IX <b>Total Comprehensive Income for the year (VII + VIII)</b>		<b>3,39,16,788</b>	<b>4,03,97,105</b>
X <b>Earnings per equity share (for continuing operations)</b>			
<b>Basic and Diluted (in Rs) (Face Value of Rs. 10/- each)</b>	<b>29</b>	<b>1.97</b>	<b>2.42</b>

See accompanying Notes 1 to 42 forming part of financial statements

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

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

UDIN: 21132305AAAAGP6551

Place : Ahmedabad  
Dated : 30-06-2021

For and on behalf of the Board of Directors  
Anjani Synthetics Limited

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

Manoharlal Sharma  
(Chief Financial Officer)

Place : Ahmedabad  
Dated : 30-06-2021

Sanjay G. Sharma  
(Director)  
(DIN-02455999)

Rachita Somani  
(Company Secretary)

## STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31st MARCH, 2021

(Amount in INR)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
NET PROFIT BEFORE TAX AND EXTRA ORDINARY ITEMS	4,00,27,203	4,77,92,388
ADJUSTMENT FOR :		
DEPRECIATION	3,59,12,641	4,45,35,317
LOSS/(PROFIT) ON SALE OF FIXED ASSETS	25,02,426	57,991
INTEREST PAID	5,20,13,687	7,38,21,854
INTEREST RECEIVED	- 9,04,28,754	-72,894
<b>OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES</b>	<b>13,04,55,957</b>	<b>16,61,34,656</b>
ADJUSTMENT FOR :		
TRADE AND OTHER RECEIVABLES	-3,52,21,380	-25,41,67,627
INVENTORIES	5,37,97,391	21,90,64,175
OTHER CURRENT ASSETS	-66,15,698	1,36,08,627
OTHER CURRENT FINANCIAL LAIBILITIES i.e. TRADE PAYABLES etc.	-18,26,28,031	6,35,23,028
<b>CASH OUT FLOW FROM OPERATIONS</b>	<b>-4,02,11,761</b>	<b>20,81,62,859</b>
<b>CASH OUT FLOW BEFORE EXTRAORDINARY ITEMS</b>	<b>-4,02,11,761</b>	<b>20,81,62,859</b>
DIRECT TAX PAID	-1,19,61,161	-1,37,29,624
EXTRA ORDINARY ITEMS (PRIOR YEAR'S TAX)	-4,39,618	42,939
<b>NET CASH OUT FLOW FROM OPERATING ACTIVITIES</b>	<b>-5,26,12,541</b>	<b>19,44,76,174</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES :</b>		
PURCHASES OF SHARES	-	-
SALE OF FIXED ASSETS	13,13,500	1,00,000
INTEREST RECEIVED	-	72,895
PURCHASES OF FIXED ASSETS	-92,99,256	-94,16,514
<b>NET CASH OUT FLOW FROM INVESTING ACTIVITIES</b>	<b>-79,85,756</b>	<b>-92,43,619</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
INCREASE IN SECURED LOANS	11,92,29,519	-14,94,68,398
INCREASE IN UNSECURED LOANS	-61,48,850	2,64,75,742
INTEREST PAID	-5,20,13,687	-7,38,21,854
<b>NET CASH FLOW IN FINANCING ACTIVITIES</b>	<b>6,10,66,982</b>	<b>-19,68,14,510</b>
NET INCREASE /(DECREASE) IN CASH AND CASH EQUIVALENT	4,68,686	-1,15,81,955
CASH AND CASH EQUIVALENT AS AT 31.03.2020 (OPENING CASH BALANCE )	11,22,018	1,27,03,973
<b>CASH AND CASH EQUIVALENT AS AT 31.03.2021</b>	<b>15,90,704</b>	<b>11,22,018</b>
<b>CLOSING CASH BALANCE</b>	<b>15,90,704</b>	<b>11,22,018</b>

## Notes

1. The above standalone Cash Flow Statement has been prepared under the "Indirect Method" as set out in Indian Accounting Standard (Ind AS) - 7 "Statement of Cash Flows".

## i. Components of Cash &amp; Cash Equivalents

Particulars	As at	As at
	March 31, 2021	March 31, 2020
(a) Cash on hand	14,92,138	10,99,622
(b) Balances with banks : Current Accounts	98,566	22,396
	15,90,704	11,22,018



**ii) Reconciliation of liabilities arising from financing activities**

**As at March 31, 2021**

	<b>Opening Balance</b>	<b>Cash Flows</b>	<b>Non Cash Changes</b>	<b>Closing Balance</b>
Long term Borrowings (Incl. Current maturity)	3,79,05,941	-44,27,175	-	3,34,78,766
Short term Borrowings	49,69,39,456	11,75,07,845	-	61,44,47,302
<b>Total liabilities from financing activities</b>	<b>53,48,45,397</b>	<b>11,30,80,670</b>	<b>-</b>	<b>64,79,26,067</b>

**As at March 31, 2020**

	<b>Opening Balance</b>	<b>Cash Flows</b>	<b>Non Cash Changes</b>	<b>Closing Balance</b>
Long term Borrowings (Incl. Current maturity)	3,43,30,039	35,75,902	-	3,79,05,941
Short term Borrowings	62,35,08,014	-12,65,68,558	-	49,69,39,456
<b>Total liabilities from financing activities</b>	<b>65,78,38,053</b>	<b>-12,29,92,656</b>	<b>-</b>	<b>53,48,45,397</b>

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

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

**UDIN: 21132305AAAAGP6551**

**Place : Ahmedabad  
Dated : 30-06-2021**

**For and on behalf of the Board of Directors  
Anjani Synthetics Limited**

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

Manoharlal Sharma  
(Chief Financial Officer)

**Place : Ahmedabad  
Dated : 30-06-2021**

**Sanjay G. Sharma**  
(Director)  
(DIN-02455999)

Rachita Somani  
(Company Secretary)





### Standalone Statement of changes in equity for the year ended March 31, 2021

#### A. Equity Share Capital

(Amount in INR)

Balance as at April 1, 2019	14,75,00,000
Changes in Equity Share Capital during the year 2019-20	-
Balance as at March 31, 2020	14,75,00,000
Changes in Equity Share Capital during the year 2020-21	-
Balance as at March 31, 2021	14,75,00,000

#### B. Other Equity

(Amount in INR)

Particulars	Reserves and Surplus				Item of Other Comprehensive income	Total
	Securities premium reserve	Capital Reserve	General Reserve	Retained earnings	Remeasurement of net defined benefit plans	
<b>Balance as at March 31, 2019</b>	<b>6,31,84,000</b>	<b>91,19,000</b>	-	<b>40,22,87,661</b>	-	<b>47,45,90,661</b>
Profit for the year	-	-	-	3,56,72,400	-	3,56,72,400
Other comprehensive income for the year, net of income tax	-	-	-	-	47,24,705	47,24,705
Total comprehensive income/(loss) for the year	-	-	-	<b>3,56,72,400</b>	<b>47,24,705</b>	<b>4,03,97,105</b>
Addition during the year	-	-	-	-	-	-
Balance as at March 31, 2020	<b>6,31,84,000</b>	<b>91,19,000</b>	-	<b>43,79,60,061</b>	<b>47,24,705</b>	<b>51,49,87,766</b>
Profit for the year	-	-	-	2,90,62,922	-	2,90,62,922
Other comprehensive income for the year, net of income tax	-	-	-	-	48,53,867	48,53,867
Total comprehensive income/(loss) for the year	-	-	-	<b>2,90,62,922</b>	<b>48,53,867</b>	<b>3,39,16,788</b>
Addition during the year	-	-	-	-	-	-
Balance as at March 31, 2021	<b>6,31,84,000</b>	<b>91,19,000</b>	-	<b>46,70,22,983</b>	<b>95,78,572</b>	<b>54,89,04,554</b>

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

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

UDIN: 20132305AAAADI7826

Place : **Ahmedabad**  
Dated : **30-06-2021**

For and on behalf of the Board of Directors  
**Anjani Synthetics Limited**

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

**Manoharlal Sharma**  
(Chief Financial Officer)

Place : **Ahmedabad**  
Dated : **30-06-2021**

**Sanjay G. Sharma**  
(Director)  
(DIN-02455999)

**Rachita Somani**  
(Company Secretary)

**Notes forming part of the standalone financial statements**
**4 Property, plant and equipment**

Particulars	(Amount in INR)							Total
	Building	Computer	Furniture & Fixture	Plant and machinery	Vehicles			
<b>Balance as at March 31, 2019</b>	<b>13,16,98,275</b>	<b>72,26,180</b>	<b>1,92,68,125</b>	<b>43,03,19,306</b>	<b>2,82,18,809</b>			<b>61,67,30,695</b>
Additions	-	3,35,706	4,36,961	1,26,52,009	5,11,535			1,39,36,210
Disposals	-	-	-	-	8,28,875			8,28,875
Subsidy	-	-	-	-	-			-
<b>Balance as at March 31, 2020</b>	<b>13,16,98,275</b>	<b>75,61,886</b>	<b>1,97,05,086</b>	<b>44,29,71,315</b>	<b>2,79,01,469</b>			<b>62,98,38,030</b>
Additions	-	2,56,275	5,04,568	46,79,000	38,59,414			92,99,256
Disposals	-	-	-	1,23,83,053	7,45,745			1,31,28,798
Subsidy	-	-	-	-	-			-
<b>Balance as at March 31, 2021</b>	<b>13,16,98,275</b>	<b>78,18,161</b>	<b>2,02,09,654</b>	<b>43,52,67,262</b>	<b>3,10,15,137</b>			<b>62,60,08,488</b>
Accumulated depreciation and impairment								
<b>Balance as at March 31, 2019</b>	<b>7,98,45,291</b>	<b>68,10,416</b>	<b>1,74,41,407</b>	<b>27,43,92,409</b>	<b>1,85,00,706</b>			<b>39,69,90,229</b>
Depreciation charge for the year	49,51,720	2,51,273	3,95,369	3,09,81,896	30,53,039			3,96,33,296
Disposals	-	-	-	-	6,70,884			6,70,884
<b>Balance as at March 31, 2020</b>	<b>8,47,97,011</b>	<b>70,61,689</b>	<b>1,78,36,776</b>	<b>30,53,74,305</b>	<b>2,08,82,861</b>			<b>43,59,52,641</b>
Depreciation charge for the year	44,60,492	2,52,534	3,55,899	2,39,19,080	29,09,880			3,18,97,884
Disposals	-	-	-	85,87,638	7,25,234			93,12,872
<b>Balance as at March 31, 2021</b>	<b>8,92,57,503</b>	<b>73,14,223</b>	<b>1,81,92,675</b>	<b>32,07,05,747</b>	<b>2,30,67,506</b>			<b>39,47,41,885</b>
Net carrying value								
<b>At March 31, 2019</b>	<b>5,18,52,984</b>	<b>4,15,764</b>	<b>18,26,718</b>	<b>15,59,26,897</b>	<b>97,18,103</b>			<b>21,97,40,466</b>
<b>At March 31, 2020</b>	<b>4,69,01,264</b>	<b>5,00,197</b>	<b>18,68,310</b>	<b>13,75,97,010</b>	<b>70,18,608</b>			<b>19,38,85,389</b>
<b>At March 31, 2021</b>	<b>4,24,40,772</b>	<b>5,03,938</b>	<b>20,16,979</b>	<b>11,45,61,515</b>	<b>79,47,631</b>			<b>16,74,70,835</b>



## 5A Other intangible assets

(Amount in INR)

Particulars	Megha Pipe Line	Total
Cost or deemed cost		
<b>Balance as at April 01, 2019</b>	<b>4,16,22,856</b>	<b>4,16,22,856</b>
Additions	-	-
<b>Balance as at March 31, 2020</b>	<b>4,16,22,856</b>	<b>4,16,22,856</b>
Additions	-	-
<b>Balance as at March 31, 2021</b>	<b>4,16,22,856</b>	<b>4,16,22,856</b>
<b><u>Accumulated amortisation and impairment</u></b>		
<b>Balance as at March 31 2019</b>	<b>1,45,39,790</b>	<b>1,45,39,790</b>
Amortisation expense	49,02,021	49,02,021
<b>Balance as at March 31 2020</b>	<b>1,94,41,811</b>	<b>1,94,41,811</b>
Amortisation expense	40,14,757	40,14,757
<b>Balance as at March 31 2021</b>	<b>2,34,56,568</b>	<b>2,34,56,568</b>
<b><u>Net carrying value</u></b>		
<b>As at March 31, 2019</b>	<b>2,70,83,066</b>	<b>2,70,83,066</b>
<b>As at March 31, 2020</b>	<b>2,21,81,045</b>	<b>2,21,81,045</b>
<b>As at March 31, 2021</b>	<b>1,81,66,288</b>	<b>1,81,66,288</b>

## 5B Depreciation and amortisation expense

(Amount in INR)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Depreciation and amortisation for the year ended on property, plant and equipment as per Note 4	3,18,97,884	3,96,33,296
Depreciation and amortisation for the year ended on Other intangible assets as per Note 5A	40,14,757	49,02,021
<b>Total</b>	<b>3,59,12,641</b>	<b>4,45,35,317</b>



## 6 Investments

Particulars	As at March 31, 2021	As at March 31, 2020
Investments in equity instruments		
Investments in Equities at fair value through Other Comprehensive Income:		
131250 (Prev. year 131250) Equity Shares of Rs. 10/- each Virat Spinners Pvt.Ltd.	35,51,625	33,46,456
60000 (Prev. year 60000) Equity Shares of Rs. 10/- each Parth International Pvt.Ltd.	79,42,200	72,03,685
115000 (Prev. year 115000) Equity Shares of Rs. 10/-each Mukund Fashion Pvt.Ltd.	89,27,450	84,51,698
400000 (Prev. year 400000) Equity Shares of Rs. 10/-each Virat Weaving Pvt.Ltd.	3,23,20,000	2,72,52,911
	<b>5,27,41,275</b>	<b>4,62,54,750</b>
<b>Aggregate carrying value of unquoted investments</b>	<b>5,27,41,275</b>	<b>4,62,54,750</b>
<b>Aggregate amount of impairment in value of investments</b>	<b>-</b>	<b>-</b>

Investment in equity has been fairvalued through OCI during the year and accordingly impact of tax on the same is also adjusted to "Other Comprehensive Income" only.

## 7 Loans (unsecured, considered good)

Particulars	As at March 31, 2021	As at March 31, 2020
Security Deposits	1,00,28,454	97,46,500
<b>Total</b>	<b>1,00,28,454</b>	<b>97,46,500</b>

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

Particulars	As at March 31, 2021	As at March 31, 2020
Raw Material Grey Cloth	12,45,27,254	13,85,62,413
Work in Progress Own	10,73,32,037	11,16,28,000
Work in Progress Job	14,49,150	48,56,548
Finished Goods	15,62,68,490	18,93,91,257
Colour Chemicals	1,10,19,956	1,04,92,154
Packing Materials	15,94,580	8,54,661
Stores & Spares	37,42,782	38,42,782
Coal & Fire Wood	5,24,626	6,28,452
<b>Total</b>	<b>40,64,58,875</b>	<b>46,02,56,266</b>



## 9 Trade receivables

Particulars	As at March 31, 2021	As at March 31, 2020
Unsecured, considered good		
- From Related Party	897	2,88,87,153
- From Others	1,10,28,51,697	1,03,32,91,429
Doubtful		
- From Related Party	-	-
- From Others	2,16,74,449	2,68,24,375
Less: Expected credit loss as per IND AS 109	(3,64,585)	(61,879)
<b>Total</b>	<b>1,12,41,62,458</b>	<b>1,08,89,41,078</b>

**Note:**

The average credit period on sales of goods is 0 to 180 days. Credit Risk arising from trade receivables is managed in accordance with the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on a detailed study of credit worthiness and accordingly individual credit limits are defined/modified. The concentration of credit risk is limited due to the fact that the customer base is large. There is no customer representing more than 10% of the total balance of trade receivables.

**Age of receivables**

Particulars	As at March 31, 2021	As at March 31, 2020
< 180 days	1,03,92,46,184	97,74,77,738
More than 180 days	8,49,16,274	11,14,63,340
<b>Total</b>	<b>1,12,41,62,458</b>	<b>1,08,89,41,078</b>

**Movement in the expected credit loss allowance on trade receivable**

Particulars	As at March 31, 2021	As at March 31, 2020
Balance at beginning of the year	(61,879)	-
Loss allowance calculated at lifetime expected credit losses	(3,02,706)	(61,879)
<b>Balance at the end of the year</b>	<b>(3,64,585)</b>	<b>(61,879)</b>

## 10 Cash and cash equivalents

Particulars	As at March 31, 2021	As at March 31, 2020
(a) Cash on hand	14,92,138	10,99,622
(b) Balances with banks : Current Accounts	98,566	22,396
<b>Total</b>	<b>15,90,704</b>	<b>11,22,018</b>



## 11 Other current assets

Particulars	As at March 31, 2021	As at March 31, 2020
<b>Unsecured, considered good, unless otherwise stated</b>		
(a) Advances recoverable in cash or in kind		
Considered good	50,00,000	50,00,000
Considered doubtful	—	—
Less: Provision for doubtful advances	—	—
	<b>5,000,000</b>	<b>5,000,000</b>
(b) Prepaid expenses	31,87,649	25,07,817
(c) Balances with government authorities	4,66,66,539	4,51,77,455
(d) Other Loan & Advances	11,78,82,556	11,37,17,729
<b>Total</b>	<b>17,27,36,744</b>	<b>16,64,03,001</b>

## 12 Equity share capital

(Amount in INR)

Particulars	As at March 31, 2021	As at March 31, 2020
Authorised share capital 1,50,00,000 (As at March 31, 2020 Rs. 1,50,00,000) Equity Shares of Rs 10/- each with voting rights	15,00,00,000	15,00,00,000
<b>Total</b>	<b>15,00,00,000</b>	<b>15,00,00,000</b>
Issued capital 1,47,50,000 (As at March 31, 2020 Rs. 1,47,50,000) Equity Shares of Rs 10/- each with voting rights	14,75,00,000	14,75,00,000
<b>Total</b>	<b>14,75,00,000</b>	<b>14,75,00,000</b>
Subscribed and fully paid up 1,47,50,000 (As at March 31, 2020 Rs. 1,47,50,000) Equity Shares of Rs 10/- each with voting rights	14,75,00,000	14,75,00,000
<b>Total</b>	<b>14,75,00,000</b>	<b>14,75,00,000</b>

## Notes:-

- (i) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting year:

Particulars	Opening Balance	Shares Issued During the Year	Closing Balance
Equity Shares			
<b>Year ended March 31, 2021</b>			
- Number of shares	1,47,50,000	—	1,47,50,000
- Amount (Amount in INR)	14,75,00,000	—	14,75,00,000
<b>Year ended March 31, 2020</b>			
- Number of shares	1,47,50,000	—	1,47,50,000
- Amount (Amount in INR)	14,75,00,000	—	14,75,00,000
<b>Year ended March 31, 2019</b>			
- Number of shares	1,47,50,000	—	1,47,50,000
- Amount (Amount in INR)	14,75,00,000	—	14,75,00,000

**(ii) Terms/ Rights attached to equity shares**

The Company has only one class of equity shares having a par value of Rs. 10/- per share. Each holder of equity share is entitled to one vote per share.

The Company has neither proposed nor declared any dividend during the year.

"In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding."

The Company does not have any holding Company.

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

Class of shares / Name of shareholder	As at March 31, 2021		As at March 31, 2020	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
<b>Equity shares fully paid up</b>				
Kailash S.Agarwal	26,48,200	17.95%	26,48,200	17.95%
Vasudev S.Agarwal	23,83,600	16.16%	23,83,600	16.16%
Subhakaran T.Agarwal	7,54,400	5.11%	7,54,400	5.11%
Vasudev S.Agarwal HUF	10,06,560	6.82%	10,06,560	6.82%
Kailash S.Agarwal HUF	10,22,700	6.93%	10,22,700	6.93%
Subhakaran T.Agarwal HUF	7,89,455	5.35%	7,89,455	5.35%
Anita Vasudev Agarwal	9,89,357	6.71%	9,38,861	6.37%
Others	51,55,728	34.95%	52,06,224	35.30%
	<b>1,47,50,000</b>	<b>100.00%</b>	<b>1,47,50,000</b>	<b>100%</b>

**Details of Beneficial Owner:**

Name of Registered Holder/Company	Beneficial/Individual holder Name	Registered Holder holding%	Beneficial Owner holding %	Total Holding
Aakriti Synthetics Private Limited	Kailash Subhakaran Agarwal	1.46%	17.95%	19.41%
Aakriti Synthetics Private Limited	Vasudev Subhakaran Agarwal HUF	1.46%	6.82%	8.28%

**(iv) As per records of the company, including its register of share holders/members and other declaration received from the share holders regarding beneficial interest, the above share holding represents both legal and beneficial ownership of shares.**

**13 Other equity**

Refer Statement of Changes in Equity for detailed movement in Equity Balance

**A Summary of Other Equity Balance****(Amount in INR)**

Particulars	As at March 31, 2021	As at March 31, 2020
<b>(a) Securities premium account</b>		
Opening Balance	6,31,84,000	6,31,84,000
Add:-premium on issue of shares	–	–
	<b>6,31,84,000</b>	<b>6,31,84,000</b>
<b>(b) Capital Reserve</b>		
Opening Balance	91,19,000	91,19,000
Add: Transferred from surplus in Statement of Profit and Loss	–	–
	<b>91,19,000</b>	<b>91,19,000</b>
<b>(c) Surplus in Statement of Profit and Loss</b>		
Opening balance	43,79,60,061	40,22,87,662
Add: Profit for the year	2,90,62,922	3,56,72,400
	<b>46,70,22,983</b>	<b>43,79,60,062</b>
<b>(d) Other Comprehensive Income</b>		
Balance as per last financial Statement	47,24,705	–
Add: Fair Valuation of Equity Shares through OCI	64,86,525	63,13,750
Add: Deferred tax asset on above	–16,32,658	–15,89,045
<b>Net Surplus in the statement of other comprehensive income (ii)</b>	<b>95,78,572</b>	<b>47,24,705</b>
<b>Total</b>	<b>54,89,04,554</b>	<b>51,49,87,767</b>

**B Nature and purpose of reserves****(i) Securities premium**

Securities premium reserve is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Act.

**(ii) Capital Reserve**

The reserve is utilised in accordance with the provisions of the Act.

**(iii) Retained earnings**

The amount that can be distributed by the Company as dividends to its equity shareholders is determined based on the balance in this reserve and also considering the requirements of the Companies Act, 2013.

**14 Borrowings (Non Current)****(Amount in INR)**

Particulars	As at March 31, 2021	As at March 31, 2020
Secured - at amortised cost		
(a) Vehicles Loan	20,69,494	3,47,819
Unsecured - at amortised cost		
a) Loan From Directors, Family Member & Relatives	3,14,09,272	2,95,46,238
b) Loan From Corporate Bodies	–	80,11,884
<b>Total</b>	<b>3,34,78,766</b>	<b>3,79,05,941</b>





- i. **Vehicle Loans** :Vehicle Loan includes loans from bank and finance companies. The Repayment payment of these loans are monthly. These loans are secured against the asset under finance. The other terms and conditions such as interest rates etc. are as per the sanction letters issued by individual banks/financial institutions.

**15 Deferred tax liabilities (Net) (Amount in INR)**

Particulars	As at March 31, 2021	As at March 31, 2020
<b>(a) Deferred tax liabilities</b>		
(i) Difference between book and tax depreciation	-	7,17,708
(ii) Fair Valuation of investment in Equity Instruments	32,21,703	15,89,045
(iii) ECL	15,575	-
	32,37,278	23,06,753
<b>(b) Deferred tax assets</b>		
(i) Difference between book and tax depreciation	7,34,366	-
	7,34,366	-
<b>Total</b>	<b>25,02,912</b>	<b>23,06,753</b>

The Company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

**16 Borrowings (Current) (Amount in INR)**

Particulars	As at March 31, 2021	As at March 31, 2020
<b>Secured - at amortised cost</b>		
<b>- Loans repayable on demand from banks (refer note (i) below)</b>		
a) Cash Credit Facility from State Bank of India	60,62,12,341	47,36,48,421
b) Packing Credit Facility from State Bank of India	82,34,961	2,32,91,036
<b>Total</b>	<b>61,44,47,302</b>	<b>49,69,39,457</b>

**Note:**

- (i) Working capital facilities under the name cash credit, packing credit etc. are secured against hypothecation of all current assets including stock of raw material, stock in process, finished goods, stores & spares, book debt etc. Hypothecation of all Plant and Machinery of the Company (Present and Future). The facilities are further secured by mortgaged of certain immovable properties owned by Directors and their relatives. Personal gaurantee of Directors also given.



## 17 Trade payables

Particulars	As at March 31, 2021	As at March 31, 2020
Trade payables		
- Total outstanding dues of micro, small and medium enterprises	10,78,16,200	53,84,03,851
- Total outstanding dues of creditors other than micro, small and medium enterprises.	40,04,78,683	14,37,37,966
<b>Total</b>	<b>50,82,94,883</b>	<b>68,21,41,817</b>

**Dues payable to Micro and Small Enterprise**

As per information given to us there were no amount overdue and remaining outstanding to small scale and /or ancillary Industrial suppliers on account of principal and /or interest as at the close of the year. Based on the information available with company, there are dues outstanding to Micro and Small Enterprises as defined under Micro, Small and Medium Enterprises Development Act, 2006 for more than 45 days as at March 31, 2021, however based on agreed terms, the payment to be made upto 180 days and accordingly no interest has been paid.

Particulars	As at March 31, 2021	As at March 31, 2020
The amount remaining unpaid to micro and small suppliers at the end of the year-Principal and Interest	10,78,16,200	53,84,03,851
The amount of interest paid by the buyer as per the MSMED Act, 2006;	—	—
The amount of the payment made to micro and small suppliers beyond the appointed day during each accounting year;	—	—
The amount of interest due and payable for the 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 MSMED Act, 2006; and	—	—
The amount of interest accrued and remaining unpaid at the end of each accounting year	—	—
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises for the purposes of disallowances as a deductible expenditure under the MSMED Act, 2006.	—	—


**18 Other financial liabilities (Current) (Amount in INR)**

Particulars	As at March 31, 2021	As at March 31, 2020
(a) Current maturities of long-term borrowings	17,49,649	26,12,224
<b>Total</b>	<b>17,49,649</b>	<b>26,12,224</b>

**19 Other current liabilities (Amount in INR)**

Particulars	As at March 31, 2021	As at March 31, 2020
(a) Statutory remittances	19,38,527	20,37,847
(b) Payables on purchase of fixed assets	1,21,83,446	1,77,20,769
(c) Others	7,75,62,316	7,56,99,899
<b>Total</b>	<b>9,16,84,289</b>	<b>9,54,58,515</b>

**20 Provisions (Current) (Amount in INR)**

Particulars	As at March 31, 2021	As at March 31, 2020
Provisions for Expenses	23,07,558	60,21,060
<b>Total</b>	<b>23,07,558</b>	<b>60,21,060</b>

**21 Current tax liabilities (Net of Advance tax and TDS) (Amount in INR)**

Particulars	As at March 31, 2021	As at March 31, 2020
Provision	1,19,61,161	1,37,29,624
Less: Advance Tax	25,00,000	20,00,000
Less: TDS & TCS Deducted by Party	69,75,441	88,13,109
<b>Total</b>	<b>24,85,720</b>	<b>29,16,515</b>

**22 Revenue from operations**

(Amount in INR)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
(a) Sale of products		
Finished Goods (Net of Returns)	2,21,99,54,394	2,74,88,84,403
Export Sales	5,17,65,991	8,15,37,055
(b) Sale of Yarn	-	16,69,218
(c) Sale of services - Job Work	40,30,62,436	44,85,81,112
<b>Total</b>	<b>2,67,47,82,820</b>	<b>3,28,06,71,788</b>
Add: VAT & GST Refundable as per Textile Policy	2,94,29,910	-
Less: Claim Vatav	38,14,892	86,57,256
Less: Commission on sales	1,66,20,612	2,03,05,469
<b>Total</b>	<b>2,68,37,77,226</b>	<b>3,25,17,09,063</b>



## 23 Other income

(Amount in INR)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
(a) Interest income earned on Fixed Deposit	-	72,894
(b) Claim/Vatav	8,63,021	-
(c) Export Incentives	37,24,250	1,03,20,317
(d) Custom Duty Receivable	-	7,27,686
(e) Foreign Exchange Fluctuations	20,36,771	8,40,897
<b>Total</b>	<b>66,24,042</b>	<b>1,19,61,794</b>

## 24 Cost of materials consumed

(Amount in INR)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Opening stock	13,85,62,413	14,85,48,602
Add : Purchase	1,72,01,29,842	1,96,86,78,535
Add : Grey Dalali	44,49,737	60,05,858
Less: Closing stock	12,45,27,254	13,85,62,413
<b>Cost of materials consumed</b>	<b>1,73,86,14,737</b>	<b>1,98,46,70,583</b>

## 25 Changes in inventories of finished goods (including stock in trade) and Work-in-Progress

(Amount in INR)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Inventories at the end of the year:		
(a) Finished goods	15,62,68,490	18,93,91,257
(b) Work-in-progress Own	10,87,81,187	11,64,84,547
<b>Total</b>	<b>26,50,49,677</b>	<b>30,58,75,805</b>
Inventories at the beginning of the year:		
(a) Finished goods	18,93,91,257	40,12,91,137
(b) Work-in-progress Own	11,64,84,547	10,52,32,801
(c) Yarn	-	17,62,487
<b>Total</b>	<b>30,58,75,805</b>	<b>50,82,86,425</b>
<b>Net (increase) / decrease</b>	<b>4,08,26,128</b>	<b>20,24,10,620</b>



## 26 Employee benefits expense

(Amount in INR)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
(a) Salaries and wages	7,61,32,586	8,25,58,372
(b) Contributions to provident and other funds	49,74,100	48,53,980
(c) Staff welfare expenses	4,02,257	3,04,925
(d) Director Remuneration	28,52,920	27,23,430
<b>Total</b>	<b>8,43,61,863</b>	<b>9,04,40,707</b>

## 27 Finance costs

(Amount in INR)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
(a) Interest costs on borrowings	5,20,13,687	7,38,21,854
(b) Other borrowing costs	19,49,484	27,97,045
<b>Total</b>	<b>5,39,63,170</b>	<b>7,66,18,899</b>

## 28 Other expenses

(Amount in INR)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
<b>Manufacturing Expenses</b>		
Colour Chemical Consumed :		
Opening Stock	1,04,92,154	1,04,51,864
Add: Purchase (Net of Return)	24,51,45,111	30,16,43,975
Less: Resale	82,103	98,271
	25,55,55,162	31,19,97,568
Less: Closing Stock	1,10,19,956	1,04,92,154
	<b>24,45,35,206</b>	<b>30,15,05,414</b>
Packing Material Consumed :		
Opening Stock	8,54,661	19,83,472
Add: Purchase (Net of Return)	2,61,90,115	2,28,40,402
	2,70,44,776	2,48,23,874
Less: Closing Stock	15,94,580	8,54,661
	<b>2,54,50,196</b>	<b>2,39,69,213</b>



## Other expenses (Conti...)

(Amount in INR)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Power & Fuel Consumed :		
Opening Stock	6,28,452	14,68,824
Add: Purchase of Lignite & Fire Wood	11,90,93,734	16,03,97,755
Add: Electric Bill	6,10,84,218	8,02,16,850
Less: Coal Ash Sale	5,697	26,713
	18,08,00,707	24,20,56,715
Less: Closing Stock	5,24,626	6,28,452
	<b>18,02,76,081</b>	<b>24,14,28,263</b>
Store & Spare Consumed :		
Opening Stock	38,42,782	85,81,254
Add: Purchase	5,80,67,047	6,71,62,202
	6,19,09,829	7,57,43,456
Less: Closing Stock	37,42,782	38,42,782
	5,81,67,047	7,19,00,674
	<b>50,84,28,530</b>	<b>63,88,03,564</b>
Process Charges	7,66,98,652	7,50,70,945
Freight on Inward	1,78,43,215	2,21,73,097
Machinery Repairs & Maintenance	61,41,093	67,02,196
Factory Expenses	48,100	98,601
Testing charges	5,69,783	1,83,106
Pollution Control Expenses	94,15,000	1,16,99,923
	<b>61,91,44,373</b>	<b>75,47,31,432</b>
<b>Administrative, Selling &amp; Distribution Expenses</b>		<b>(Amount in INR)</b>
Advertisement	49,262	43,016
Air Condition Repairs	64,958	4,73,101
Auditors Remuneration	2,50,000	2,50,000
Bad Debts	3,68,89,039	2,75,68,112
Cartage	18,26,412	20,35,611
Charity & Donation	10,55,194	15,18,440
Computer Repairs & Maintenance expenses	7,69,095	7,62,678
ECGC & Inspaction charges	1,12,209	3,11,613



## Other expenses (Conti...)

(Amount in INR)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Electric Expenses	19,62,749	19,83,374
Entertainment Exp.	57,757	1,08,628
General Expenses	3,76,031	1,15,378
Worker compensation	1,25,000	-
Insurance Charges	74,53,951	83,37,426
Legal & Professional Charges	50,26,384	42,99,757
Loss on Sale of Assets	25,02,426	57,991
Metador Expenses	11,00,119	10,48,675
Outward Freight & Clearing & forwarding	18,93,818	23,04,884
Penlty & Late Fee's	7,400	900
Postage & Angaria	5,65,197	9,87,030
Printing & Stationery	6,95,538	9,14,649
Professional Tax	81,180	2,400
Rent Rate & Taxes	37,39,835	29,68,336
Repairs to Buildings	67,74,843	5,45,527
ROC & Stock Exchange exp.	4,01,167	1,56,480
Sales Promotion Expenses	1,66,500	60,576
GST & VAT EXP.	19,038	-
Sitting Fee's	1,08,000	1,11,000
Subscription & Membership	54,458	1,81,893
Telephone Expenses	84,820	2,75,836
Round off	177	(72)
Travelling Expenses	2,35,643	17,47,018
VAT/GST Reversal (Rule 42 & 43)	-	18,000
Vehicle Expenses	15,53,876	17,77,331
Watch & Wards	11,87,000	11,77,200
Custom Duty Expenses	59,370	2,66,246
Expected Credit Loss expenses	3,02,706	61,879
<b>Total</b>	<b>69,66,95,526</b>	<b>81,72,02,344</b>
Payments to auditors:		
(a) For audit	1,50,000	1,50,000
(b) For taxation matters	1,00,000	1,00,000
<b>Total</b>	<b>2,50,000</b>	<b>2,50,000</b>

**29 Basic and Diluted Earnings per share**

The earnings and weighted average number of ordinary shares used in the calculation of basic earnings per share are as follows:

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Profit after tax (Amount in INR)	2,90,62,922	3,56,72,400
Weighted average number of equity shares for the purposes of basic and diluted earnings per share	1,47,50,000	1,47,50,000
Basic and Diluted Earnings per share (Face value of Rs 10 each)	1.97	2.42

**30 Contingent liabilities & Commitments**

Particulars	As at March 31, 2021	As at March 31, 2020
<b>Commitments</b>		
Estimated amount of contracts remaining unexecuted on capital account (net of advances) not provided for	–	–
<b>Contingent liabilities</b>		
<b>Claims against the Company not acknowledged as debts:</b>		
Disputed demand of income tax for which appeals have been preferred	81,373	–

**31 Contingent assets**

The are no contingent assets recognised as at March 31, 2021

**32** Break up of expenditure incurred on employess who were in receipt of remuneration aggregating Rs 10200000/- or more for year or Rs. 850000/- or more per month where employed for a part of the year Nil (Previous Year Nil).

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

**34 SEGMENT INFORMATION****(a) Description of segment and principal activities**

The Managing Director/ Chief Executive Officer of the Company allocate resources and assess the performance of the Company, thus are the Chief Operating Decision Maker (CODM). Textile Business is identified as single operating segment for the purpose of making decision on allocation of resources and assessing its performance.

**(b) Information about geographical areas****(i) Revenue from External Customers**

Particulars	2020-21	2019-20
India	2,63,20,11,235	3,17,01,72,008
Outside India	5,17,65,991	8,15,37,055
<b>Total</b>	<b>2,68,37,77,226</b>	<b>3,25,17,09,063</b>





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

**(ii) Non - Current Assets**

Particulars	2020-21	2019-20
India	19,56,65,577	22,58,12,934
Outside India	-	-
<b>Total</b>	<b>19,56,65,577</b>	<b>22,58,12,934</b>

Non-current assets include property, plant and equipment, capital work in progress, intangible assets and Security Deposits. It is allocated based on the geographic location of the respective assets.

**(c) Information about major customers**

There is no customer representing more than 10% of the total balance of trade receivables.

**35 Related Party Transactions**

**a. Concerns**

**in which directors or their relatives are interested**

Virat Weaving Private Limited  
Parth International Private Limited

**b. Directors of Company**

Vasudev S. Agarwal  
Sourabh Vijay Patawari  
Gopal Sanwormal Pansari  
Bhoor Singh B. Parihar  
(Cessation w.e.f.04/12/2020)  
Garima Jain

**Relatives of Directors of Company**

Sanjay Goverdhan Sharma  
(Appointed w.e.f.12/12/2020)  
Shri Subhkaran T. Agarwal  
Subhkaran T. Agarwal HUF  
Smt. Bimla Devi S.agarwal  
Vasudev S. Agarwal HUF  
Smt. Anita V. Agarwal  
Shri Kailash S. Agarwal  
Kailash S. Agarwal HUF  
Smt. Anjana Kailash Agarwal  
Shri Ravi S. Agarwal  
Ravi S. Agarwal HUF  
Smt. Kajal R. Agarwal  
Akshika K. Agarwal  
Aakruti V. Agarwal  
Aashna V. Agarwal  
K. S. Enterprise  
S. T. Enterprise  
R. S. Textile  
Manoharlal Sharma  
Rachita Somani

**Chief Financial Officer**  
**Companies Secretary**



Following transactions were carried out with the related parties in ordinary course of business as on 31.03.2021:

Particulars	Concerns in which Directors or their relatives are interested	Directors' & Relatives Key Management Personnel
1 Sales & other Inc.	2,91,53,100	Nil
2 Purchase & other Service	15,96,085	Nil
3 Remuneration & Salary	Nil	60,96,545
4 Loan Received	19,85,000	6,16,75,031
5 Loan Paid	20,20,764	6,33,30,277
6 Interest Recd.	Nil	Nil
7 Interest Paid	38,664	38,11,738
8 Rent Paid	Nil	60,000
9 Sitting Fee's	Nil	1,08,000
10 Balance outstanding Dr./Cr. (Net)	897 Dr	31409272 Cr

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

Following transactions were carried out with the related parties in ordinary course of business as on 31.03.2020:

Particulars	Concerns in which Directors or their relatives are interested	Directors' & Relatives
1 Sales & other Inc.	5,46,68,131	Nil
2 Purchase & other Service	1,33,38,824	Nil
3 Remuneration & Salary	Nil	65,82,025
4 Loan Received	Nil	4,43,39,912
5 Loan Paid	Nil	2,68,11,204
6 Interest Recd.	Nil	Nil
7 Interest Paid	Nil	10,38,622
8 Rent Paid	Nil	60,000
9 Sitting Fee's	Nil	1,11,000
10 Balance outstanding Dr./Cr. (Net)	28887153 Dr	29600238 Cr

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

### 36 Financial instruments

#### 1 Capital management

The Company manages its capital to ensure that the Company will be able to continue as a going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance.

The capital structure of the Company consists of net debt and total equity of the Company.



### 1.1 Gearing ratio

The gearing ratio at the end of the reporting period was as follows.

Particulars	As at March 31, 2021	As at March 31, 2020
Debt (i)	64,96,75,716	53,74,57,622
Cash and bank balances ( Refer Note 10) (ii)	15,90,704	11,22,018
<b>Net debt (i - ii)</b>	<b>64,80,85,013</b>	<b>53,63,35,604</b>
<b>Total equity</b>	<b>69,64,04,554</b>	<b>66,24,87,767</b>
<b>Net debt to equity ratio</b>	<b>0.93</b>	<b>0.81</b>

(i) Debt is defined as long-term and short term borrowing, as described in notes 14, 16 and 18

### 2 Categories of financial instruments

Particulars	As at March 31, 2021		As at March 31, 2020	
	Carrying values	Fair values	Carrying values	Fair values
<b>Financial assets</b>				
<b>Measured at amortised cost</b>				
Investments	—	—	—	—
Loans	1,00,28,454	1,00,28,454	97,46,500	97,46,500
Trade receivables	1,12,41,62,458	1,12,41,62,458	1,08,89,41,078	1,08,89,41,078
Cash and cash equivalents	15,90,704	15,90,704	11,22,018	11,22,018
<b>Total Financial Assets carried at amortised cost (A)</b>	<b>1,13,57,81,616</b>	<b>1,13,57,81,616</b>	<b>1,09,98,09,596</b>	<b>1,09,98,09,596</b>
<b>Measured at fair value through profit and loss</b>				
Current investments in mutual funds	—	—	—	—
<b>Total Financial Assets at fair value through profit and loss (B)</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>
<b>Measured at fair value through other comprehensive income</b>				
Non-current investments in equity instruments	5,27,41,275	5,27,41,275	4,62,54,750	4,62,54,750
<b>Total Financial Assets at fair value through OCI (C)</b>	<b>5,27,41,275</b>	<b>5,27,41,275</b>	<b>4,62,54,750</b>	<b>4,62,54,750</b>
<b>Total Financial Assets (A+B+C)</b>	<b>1,18,85,22,891</b>	<b>1,18,85,22,891</b>	<b>1,14,60,64,346</b>	<b>1,14,60,64,346</b>
<b>Financial liabilities</b>				
<b>Measured at amortised cost</b>				
<b>Non-current liabilities</b>				
Non-current borrowings *	3,34,78,766	3,34,78,766	3,79,05,941	3,79,05,941
<b>Current liabilities</b>				
Short-term borrowings	61,44,47,302	61,44,47,302	49,69,39,457	49,69,39,457
Trade payables	50,82,94,883	50,82,94,883	68,21,41,817	68,21,41,817
Other financial liabilities	17,49,649	17,49,649	26,12,224	26,12,224
<b>Financial Liabilities measured at amortised cost</b>	<b>1,15,79,70,599</b>	<b>1,15,79,70,599</b>	<b>1,21,95,99,439</b>	<b>1,21,95,99,439</b>
<b>Total Financial Liabilities</b>	<b>1,15,79,70,599</b>	<b>1,15,79,70,599</b>	<b>1,21,95,99,439</b>	<b>1,21,95,99,439</b>

\* The fair value of the Unquoted Investment in Equity is based on valuation on Net Asset Method as provided by the Management.

**3 Financial risk management objectives**

The Company's Corporate finance department provides services to business, co-ordinates access to domestic and international financial markets, monitors and manages the financial risks relating to the operations of the Company through internal risk reports which analyse the exposures by degree and magnitude of risks. These risks include market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk.

**4 Market risk**

The Company's activities expose it primarily to the financial risks of changes in interest rates due to variable interest loans. The Company does not enter into derivative contracts to manage risks related to anticipated sales and purchases.

**5 Foreign currency risk management**

The Company undertakes transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arise. Exchange rate exposures are managed within approved policy parameters utilizing forward foreign exchange contracts and currency options taken at the time of initiation of the booking by the management. Such decision is taken after considering the factors such as upside potential, cost of structure and the downside risks etc. Quarterly reports are submitted to Management Committee on the covered and open positions and MTM valuation.

The carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows.

Particulars	As at March 31, 2021 (Amount in Rupees)				As at March 31, 2020 (Amount in Rupees)			
	USD	EURO	INR	Total	USD	EURO	INR	Total
<b>Financial assets</b>								
<b>Non-current financial assets</b>								
Investments	-	-	-	-	-	-	-	-
Loans	-	-	-	-	-	-	-	-
<b>Total non-current financial assets</b>	-	-	-	-	-	-	-	-
<b>Current financial assets</b>								
Trade receivables	-	3,33,351	2,86,93,246	2,86,93,246	87,976	1,45,612	1,62,89,522	1,62,89,522
Cash and cash equivalents	-	-	-	-	-	-	-	-
<b>Total current financial assets</b>	-	<b>3,33,351</b>	<b>2,86,93,246</b>	<b>2,86,93,246</b>	<b>87,976</b>	<b>1,45,612</b>	<b>1,62,89,522</b>	<b>1,62,89,522</b>
<b>Total financial assets</b>	-	<b>3,33,351</b>	<b>2,86,93,246</b>	<b>2,86,93,246</b>	<b>87,976</b>	<b>1,45,612</b>	<b>1,62,89,522</b>	<b>1,62,89,522</b>
<b>Financial liabilities</b>								
<b>Non current financial liabilities</b>								
Borrowings	-	-	-	-	-	-	-	-
<b>Total non-current financial liabilities</b>	-	-	-	-	-	-	-	-
<b>Current financial liabilities</b>								
Borrowings	-	-	-	-	-	-	-	-
Trade payables	-	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-	-
Total current financial liabilities	-	-	-	-	-	-	-	-
<b>Total financial liabilities</b>	-	-	-	-	-	-	-	-
<b>Excess of financial liabilities over financial assets</b>	-	<b>(3,33,351)</b>	<b>(2,86,93,246)</b>	<b>(2,86,93,246)</b>	<b>(87,976)</b>	<b>(1,45,612)</b>	<b>(1,62,89,522)</b>	<b>(1,62,89,522)</b>
<b>Hedge foreign currency risk</b>	-	-	-	-	-	-	-	-
<b>Unhedge foreign currency risk</b>	-	<b>(3,33,351)</b>	<b>(2,86,93,246)</b>	<b>(2,86,93,246)</b>	<b>(87,976)</b>	<b>(1,45,612)</b>	<b>(1,62,89,522)</b>	<b>(1,62,89,522)</b>
<b>Sensitivity impact on Net liabilities/(assets) exposure at 1%</b>								
Appreciation in INR at 1%			2,86,932.46	2,86,932.46			1,62,895.22	1,62,895.22
Depreciation in INR at 1%			(2,86,932.46)	(2,86,932.46)			(1,62,895.22)	(1,62,895.22)



### 5.1 Foreign currency sensitivity analysis

The Company is not materially exposed to USD and EURO currency.

### 6 Interest rate risk management

The Company is exposed to interest rate risk because funds are borrowed at both fixed and floating interest rates. Interest rate risk is measured by using the cash flow sensitivity for changes in variable interest rate. The Company has exposure to interest rate risk, arising principally on changes in interest rates. The Company uses a mix of interest rate sensitive financial instruments to manage the liquidity and fund requirements for its day to day operations like long term and short term loans. The risk is managed by the Company by maintaining an appropriate mix between fixed and floating rate borrowings. Hedging activities are evaluated regularly to align with interest rate views and defined risk appetite, ensuring the most cost-effective hedging strategies are applied. The table in 6.1 provides a break-up of the Company's fixed and floating rate borrowings:

#### 6.1 Interest rate sensitivity analysis

The sensitivity analyses below have been determined based on the exposure to interest rates for both derivatives and non-derivative instruments at the end of the reporting period. For floating rate liabilities, the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year. A 50 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

The following table provides a break-up of the Company's fixed and floating rate borrowings and interest rate sensitivity analysis.

Particulars	As at March 31, 2021			As at March 31, 2020		
	Gross amount	Interest rate sensitivity @0.50%		Gross amount	Interest rate sensitivity @0.50%	
		Increase	Decrease		Increase	Decrease
Fixed Loan	3,34,78,766	NA	NA	3,79,05,941	NA	NA
Variable Loan	61,44,47,302	30,72,237	(30,72,237)	49,69,39,457	24,84,697	(24,84,697)
<b>Total</b>	<b>64,79,26,067</b>	<b>30,72,237</b>	<b>(30,72,237)</b>	<b>53,48,45,398</b>	<b>24,84,697</b>	<b>(24,84,697)</b>

### 7 Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration risks. The Company has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults. The Company uses publicly available financial information and its own trading records to rate its major customers. The Company's exposure and the credit ratings of its counterparties are continuously monitored and the aggregate value of transactions concluded is spread amongst approved counterparties.

Trade receivables consist of a large number of customers, spread across diverse geographical areas. Ongoing credit evaluation is performed on the financial condition of accounts receivable.

The Company does not have significant credit risk exposure to any single counterparty. Concentration of credit risk related to the above mentioned company did not exceed 10% of gross monetary assets at any time during the year. Concentration of credit risk to any other counterparty did not exceed 10% of gross monetary assets at any time during the year.

**7.1 Collateral held as security and other credit enhancements**

The Company does not hold any collateral or other credit enhancements to cover its credit risk associated with its financial assets.

**8 Liquidity risk management**

Liquidity risk refers to the risk of financial distress or extraordinary high financing costs arising due to shortage of liquid funds in a situation where business conditions unexpectedly deteriorate and requiring financing. Ultimate responsibility for liquidity risk management rests with the board of directors, which has established an appropriate liquidity risk management framework for the management of the Company's short, medium and long-term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

The following tables detail the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods and its non-derivative financial assets. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay.

Particulars	As at March 31, 2021				As at March 31, 2020			
	< 1 year	1-5 years	> 5 years	Total	< 1 year	1-5 years	> 5 years	Total
<b>Financial assets</b>								
<b>Non-current</b>								
Investments	-	-	5,27,41,275	5,27,41,275	-	-	4,62,54,750	4,62,54,750
Loans	-	-	1,00,28,454	1,00,28,454	-	-	97,46,500	97,46,500
<b>Total non-current financial assets</b>	-	-	<b>6,27,69,729</b>	<b>6,27,69,729</b>	-	-	<b>5,60,01,250</b>	<b>5,60,01,250</b>
<b>Current</b>								
Trade receivables	1,06,69,44,121	5,72,18,337	-	1,12,41,62,458	1,01,48,34,251	7,41,06,827	-	1,08,89,41,078
Cash and cash equivalents	15,90,704	-	-	15,90,704	11,22,018	-	-	11,22,018
<b>Total current financial assets</b>	<b>1,06,85,34,825</b>	<b>5,72,18,337</b>	<b>-</b>	<b>1,12,57,53,162</b>	<b>1,01,59,56,269</b>	<b>7,41,06,827</b>	<b>-</b>	<b>1,09,00,63,096</b>
<b>Total financial assets</b>	<b>1,06,85,34,825</b>	<b>5,72,18,337</b>	<b>6,27,69,729</b>	<b>1,18,85,22,891</b>	<b>1,01,59,56,269</b>	<b>7,41,06,827</b>	<b>5,60,01,250</b>	<b>1,14,60,64,346</b>
<b>Financial liabilities</b>								
<b>Non-current</b>								
Borrowings	-	20,69,494	3,14,09,272	3,34,78,766	-	3,47,819	3,75,58,122	3,79,05,941
<b>Total non-current financial liabilities</b>	-	<b>20,69,494</b>	<b>3,14,09,272</b>	<b>3,34,78,766</b>	-	<b>3,47,819</b>	<b>3,75,58,122</b>	<b>3,79,05,941</b>
<b>Current</b>								
Borrowings	61,44,47,302	-	-	61,44,47,302	49,69,39,457	-	-	49,69,39,457
Trade payables	50,70,57,686	12,37,197	-	50,82,94,883	67,74,87,433	46,54,384	-	68,21,41,817
Other financial liabilities	17,49,649	-	-	17,49,649	26,12,224	-	-	26,12,224
<b>Total current financial liabilities</b>	<b>1,12,32,54,637</b>	<b>12,37,197</b>	<b>-</b>	<b>1,12,44,91,834</b>	<b>1,17,70,39,114</b>	<b>46,54,384</b>	<b>-</b>	<b>1,18,16,93,498</b>
<b>Total financial liabilities</b>	<b>1,12,32,54,637</b>	<b>33,06,691</b>	<b>3,14,09,272</b>	<b>1,15,79,70,599</b>	<b>1,17,70,39,114</b>	<b>50,02,203</b>	<b>3,75,58,122</b>	<b>1,21,95,99,439</b>

**1 Disclosure as per Ind AS 113 - Fair Value Measurements**

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in an orderly transaction in the principal (or most advantageous) market at measurement date under the current market condition regardless of whether that price is directly observable or estimated using other valuation techniques.

The Company has established the following fair value hierarchy that categorizes the values into 3 levels. The inputs to valuation techniques used to measure fair value of financial instruments are:

Level 1- Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments that have quoted price. Listed and actively traded equity instruments are stated at the last quoted closing price on the National Stock Exchange of India Limited (NSE).

Level 2- The fair value of financial instruments that are not traded in active market is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3- If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. The fair value of the financial assets and liabilities included in Level 3 is determined in accordance with generally accepted pricing models based on Net Asset Approach using cost model based on unobservable inputs.

Valuation Techniques used to determine fair values:

A) Specific valuation technique is used to determine the fair value of the financial instruments which include:

i) For financial instruments other than (ii):- In accordance with generally accepted pricing models based on Net Asset Method analysis on unobservable transactions.

ii) For financial liabilities (domestic currency loans) :- appropriate market borrowing rate of the entity as of each balance sheet date used.

### 37 Income Taxes

#### Income taxes recognised in statement of profit and loss

(Amt in INR)

Particulars	For the Year Ended March 31, 2021	For the Year Ended March 31, 2020
<b>(i) Income tax recognised in the statement of profit and loss</b>		
<b>Current tax</b>		
In respect of the current year	1,19,61,161	1,37,29,624
Short/Excess Provision for tax of earlier years	4,39,618	(42,939)
<b>Deferred tax</b>		
In respect of the current year	(14,36,499)	(15,66,697)
MAT Credit Taken	—	—
<b>Income tax expenses recognised in the statement of profit and loss</b>	<b>1,09,64,281</b>	<b>1,21,19,988</b>
<b>(ii) Income tax recognised in other comprehensive income</b>		
Deferred Tax on Fair Value of Equity Instruments through OCI	16,32,658	15,89,045
Deferred tax benefit on actuarial gain/(loss) on defined plan	—	—
<b>Income tax expenses recognised in the statement of profit and loss</b>	<b>1,25,96,939</b>	<b>1,37,09,033</b>



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

(Amt in INR)

Particulars	For the Year Ended March 31, 2021	For the Year Ended March 31, 2020
<b>Income before taxes</b>	<b>4,00,27,203</b>	<b>4,77,92,388</b>
Enacted tax rate in India	25.168%	25.168%
Expected income tax benefit/(expense) at statutory tax rate	1,00,74,046	1,20,28,388
<b>Effect of:</b>		
Tax effect on non -deductible expenses	-	-
Unrecognized of MAT Credit Entitlements	-	-
Others	18,87,115	17,01,236
<b>Excess/(short) provisions of earlier years income tax</b>		
Minimum alternate tax (MAT) (reversal of earlier years)	-	-
Deferred tax liabilities	1,96,159	22,348
Short/Excess Provision for tax of earlier years	4,39,618	(42,939)
<b>Income taxes credit/ (expenses) recognised in the statement of income</b>	<b>1,25,96,939</b>	<b>1,37,09,033</b>

The tax rate used for the above reconciliation is the corporate tax rate of 25.168% (Previous Year 25.168%) payable by corporate entities in India on taxable profits under the Indian tax laws.

(Amt in INR)

Components of Deferred Tax (charge) /benefit for the year	For the Year Ended March 31, 2021	For the Year Ended March 31, 2020
Depreciation and Amortisation	(14,52,074)	(15,66,697)
Fair Value on Equity through OCI	16,32,658	15,89,045
ECL on Debtors	15,575	-
<b>Total deferred tax for the year</b>	<b>1,96,159</b>	<b>22,348</b>

Components of deferred tax assets and liabilities

(Amt in INR)

Particulars	As at March 31, 2021	As at March 31, 2020
<b>(a) Deferred tax liabilities</b>		
(i) Difference between book and tax depreciation		
(ii) Others	16,48,233	15,89,045
	<b>16,48,233</b>	<b>15,89,045</b>
<b>(b) Deferred tax assets</b>		
(i) Difference between book and tax depreciation	(14,52,074)	(15,66,697)
(ii) Other	-	-
	<b>(14,52,074)</b>	<b>(15,66,697)</b>
<b>Deferred tax Liabilities (Net)</b>	<b>1,96,159</b>	<b>22,348</b>





**38 Reconciliation of the amount of revenue recognised in the statement of profit and loss with the contracted price:**

(Amt in INR)

Particulars	31 March 2021
Revenue as per contracted price	2,63,00,14,676
Adjustments	
Discounts / rebates / incentives / Others	2,56,15,018
Sales returns / credits / reversals	4,47,68,144
Deferrment of revenue	-
Any other adjustments	(1,66,20,612)

**39 Revenue from contract with customers** **2,68,37,77,226**

**Ind As 115 : Revenue from Contracts with Customers:**

The disaggregation of Revenue from Contract with Customers – Segment-wise

Particulars	31st March 2021	31st March 2020
Sales in Domestic Market	2,22,89,48,799	2,72,15,90,896
Sales in Export Market	5,17,65,991	8,15,37,055
Job Work Charges	40,30,62,436	44,85,81,112
<b>Total Revenue</b>	<b>2,68,37,77,226</b>	<b>3,25,17,09,063</b>

**A) Disaggregated revenue information**

Set out below is the disaggregation of the company's revenue from contracts with customers:

Segment	31st March 2021	31st March 2020
<b>Type of goods or service</b>		
Sale of manufactured goods	2,28,07,14,790	2,80,31,27,951
Packaging Product	-	-
Sale of traded products	-	-
Sale of Services	-	-
Job Work Charges	40,30,62,436	44,85,81,112
Processing fees	-	-
<b>Total revenue from contracts with customers</b>	<b>2,68,37,77,226</b>	<b>3,25,17,09,063</b>
India	2,63,20,11,235	3,17,01,72,008
Outside India	5,17,65,991	8,15,37,055
<b>Total revenue from contracts with customers</b>	<b>2,68,37,77,226</b>	<b>3,25,17,09,063</b>
Timing of revenue recognition	-	-
Goods transferred at a point in time	-	-
<b>Total revenue from contracts with customers</b>	<b>-</b>	<b>-</b>



Set out below, is the reconciliation of the revenue from contracts with customers with the amounts disclosed in the segment information

Segment	31st March 2021	31st March 2020
Revenue	–	
External customer	2,68,37,77,226	3,25,17,09,063
Inter-segment	–	–
Inter-segment adjustment and elimination	–	–
<b>Total revenue from contracts with customers</b>	<b>2,68,37,77,226</b>	<b>3,25,17,09,063</b>

#### B) Contract balances

The following table provides information about receivables, contract assets and contract liabilities from contract with customers

Particulars	31st March 2021	31st March 2020
Trade receivables*	1,12,41,62,458	1,08,89,41,078
Contract liabilities	–	–
Advances from customers	–	–

\*Trade receivables are non-interest bearing and are generally on terms of 0 to 180 days.

#### C) Reconciling the amount of revenue recognised in the statement of profit and loss with the contracted price

##### Particulars

Revenue as per contracted price	31st March 2021	31st March 2020
Sales-Fabrics	2,22,69,52,240	2,83,20,90,676
Sales Job	40,30,62,436	44,85,81,112
<b>Adjustments</b>		
Cash Discount and other	2,56,15,018	-
Special Discount-Sales Return	4,47,68,144	-86,57,256
Rebate and Claim		
Commission on sale	-1,66,20,612	-2,03,05,469
<b>Revenue from contract with customers</b>	<b>2,68,37,77,226</b>	<b>3,25,17,09,063</b>

#### D) Reconciling the amount of revenue recognised in the statement of profit and loss with the contracted price

Particulars	31st March 2021	31st March 2020
Advances from customers	–	–

Management expects that the entire transaction price allotted to the unsatisfied contract as at the end of the reporting period will be recognised as revenue during the next financial year.



#### 40 Assets Mortgage/Hypothecated as security

The carrying amount of assets pledged as security for current and non-current borrowings are:

Assets description	31.03.2021	31.03.2020
<b>First and / or Second charge</b>		
<b>I. Current Financial Assets</b>		
Trade receivables	1,12,41,62,458	1,08,89,41,078
Bank balances	15,90,704	11,22,018
Other financial assets	1,00,28,454	97,46,500
<b>II. Current Assets</b>		
Inventories	40,64,58,875	46,02,56,266
Other Current Assets	17,27,36,744	16,64,03,001
<b>Total current assets Hypothecated/ Mortgage as security</b>	<b>1,71,49,77,235</b>	<b>1,72,64,68,863</b>
<b>First and / or Second charge</b>		
<b>III Property, Plant and Equipment</b>		
A. Plant and equipments	11,45,61,515	13,75,97,010
B. Freehold land	–	–
C. Buildings	4,24,40,772	4,69,01,264
D. Lease Hold Improvements	–	–
E. Furniture & Fittings and Office Equipments	20,16,979	18,68,310
F. Other intangible assets	1,81,66,288	2,21,81,045
G. Vehicles	79,47,631	70,18,608
H. Computer	5,03,938	5,00,197
I. Electronic Equipment	–	–
<b>IV. Capital work in progress</b>	–	–
<b>V. Non Current Financial Assets</b>		
Investment	5,27,41,275	4,62,54,750
Other Financial Assets	–	–
<b>VI. Other Non Current Assets</b>		
<b>Total non-current assets Hypothecated/ Mortgage as security</b>	<b>23,83,78,398</b>	<b>26,23,21,184</b>
<b>Total Assets Hypothecated/Mortgage as security</b>	<b>1,95,33,55,633</b>	<b>1,98,87,90,047</b>

41 Company has not given any loan or Gaurantees during the year hence disclosure under section 186(4) of the Companies Act, 2013 is not given



**42 Approval of financial statements**

The financial statements were approved for issue by the board of directors on 30th June, 2021

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

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

**UDIN: 21132305AAAAGP6551**

**Place : Ahmedabad**  
**Dated : 30-06-2021**

**For and on behalf of the Board of Directors**  
**Anjani Synthetics Limited**

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

Manoharlal Sharma  
(Chief Financial Officer)

**Place : Ahmedabad**  
**Dated : 30-06-2021**

**Sanjay G. Sharma**  
(Director)  
(DIN-02455999)

Rachita Somani  
(Company Secretary)